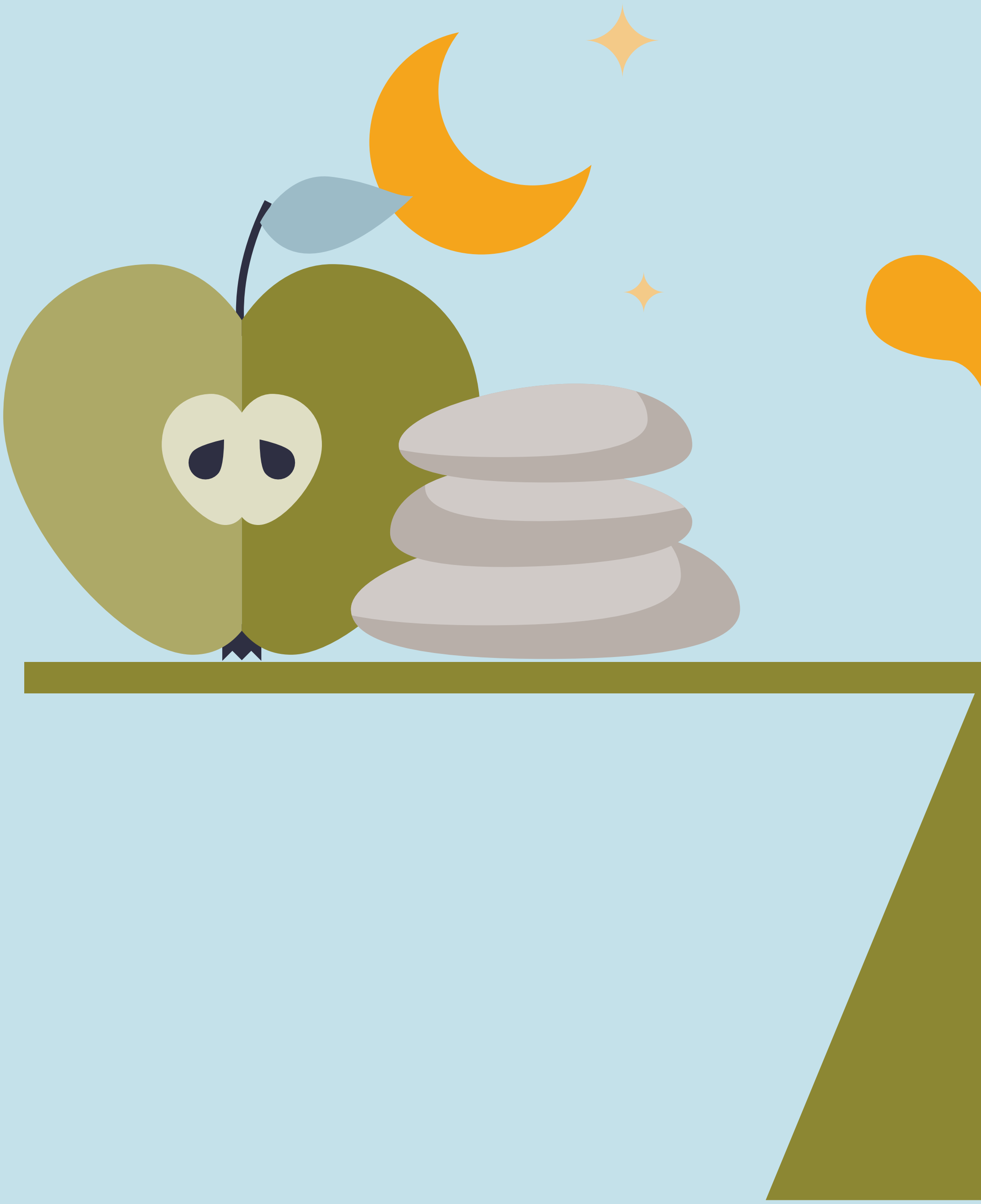
Obesity: Balancing the Scales

by | **Frances Lehun**



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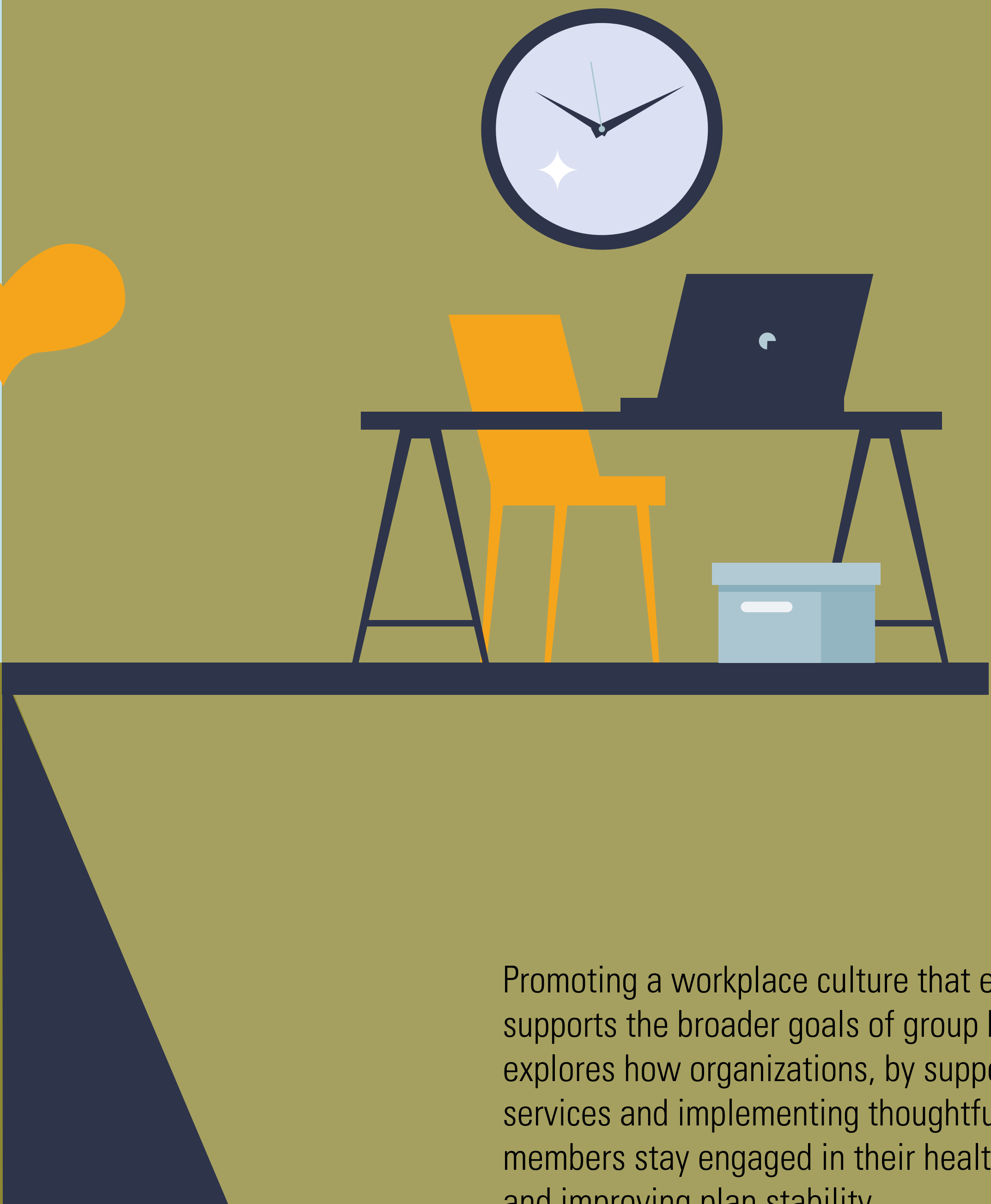

Promoting a workplace culture that embraces body diversity supports the broader goals of group benefits. The author explores how organizations, by supporting mental health services and implementing thoughtful policies, can help plan members stay engaged in their health journey, reducing costs and improving plan stability.

The landscape of obesity in Canada is evolving rapidly, driven by rising prevalence rates, a better understanding of its complex causes and an increasing focus on more effective treatments. The recent introduction of highly successful, yet costly, weight-loss drugs such as Wegovy® adds a new dimension. Together, these factors are putting significant pressure on group benefits plans and raising important questions about how to strike the right balance between achieving positive health outcomes and ensuring long-term plan sustainability.

Every year, Beneva releases a health bulletin to share recent findings, trends and insights drawn from its claims data. A snapshot of data from 2022 to 2024 shows that obesity ranks among the top conditions for the first time. This shift not only signals broader changes in how the disease is managed but also reflects the growing popularity of Wegovy® as a treatment. Approved by Health Canada in 2021 for weight loss and obesity, Wegovy® entered the Canadian market in 2024, and its uptake has been swift.

With new therapies set to affect group plans in the years ahead, insurers play a critical role in guiding advisors and plan sponsors toward cost-effective solutions. That means adopting biosimilars where possible, applying prior authorization guidelines and carefully monitoring the rollout of new drugs. However, long-term sustainability will also require examining obesity through a broader lens—one that addresses the numerous interconnected factors contributing to obesity and the need for a more comprehensive approach to coverage.

Takeaways

- Costly weight-loss drugs, such as Wegovy®, are putting significant pressure on group benefits plans and raising important questions about how to strike the right balance between achieving positive health outcomes and ensuring long-term plan sustainability.
- Insurers play a critical role in guiding advisors and plan sponsors to cost-effective solutions. That means adopting biosimilars where possible, applying prior authorization guidelines and carefully monitoring the rollout of new drugs.
- Studies show that weight loss reduces anxiety and depression while boosting self-esteem. These outcomes lead to fewer workplace absences, increased productivity and more long-term savings by reducing comorbidities, ultimately offsetting the short-term rise in insurance costs.
- A weight-loss medication clause should be part of a broader strategy to drive sustained lifestyle changes, such as healthier diets and regular exercise. Ensuring plan members have access to these resources—and are aware of them—will help foster the buy-in for long-term success.

Ripple Effect on Health

Obesity and its related health conditions account for nearly one-third of prescription drug benefits. When indirect costs such as absences, disability leaves and lost productivity are included, the total economic burden reaches $21.7 billion annually in Canada.[1]

The prevalence of obesity in Canada has more than doubled in the past 30 years, rising from nearly 12% in 1990 to just shy of 27% in 2021. That same year, 27% of youth ages 12 to 17 were classified as overweight or obese, supporting the persistence of this trend.[2] This can only mean that more employees will be affected in the years ahead.

People living with obesity face a higher risk of additional chronic conditions and *comorbidities*—the presence of two or more medical conditions at the same time. Obesity is a major risk factor for over 200 chronic conditions, including cardiovascular disease, type 2 diabetes, high blood pressure, cancer, respiratory diseases and mental health disorders. Addressing the underlying condition is key to preventing a cascade of complications.

Mental health is also deeply intertwined with obesity; those who are obese have a higher risk of low self-esteem, depression, anxiety, eating disorders and so forth.[3] Many of these mental health challenges stem from the prejudice and discrimination faced by individuals because of their condition.

These deeply rooted societal biases—commonly known as fatphobia—are fueled by widespread prejudices about weight. Social norms that prize thinness, diet culture and the wellness industry propagate the myth that obese people lack willpower or just need to get their act together.

Both social and medical judgment can cause significant suffering for those affected by obesity. This can limit access to medical care and, as a result, increase overall health risks, including potential weight gain.[4] Studies have found that 54% of obese adults report being stigmatized by co-workers, and 64% report experiencing weight bias from a health care professional.[5]

Left unchecked, the emotional strain tied to obesity can quietly take a lasting toll. Feelings of stigma, isolation and frustration can build over time, increasing the risk of anxiety, depression and long-term disability. A healthy workplace that promotes inclusion and respects body diversity helps reduce this risk by supporting mental well-being and encouraging positive health outcomes.

The Complexity of Obesity

Weight is shaped by far more than just the balance between calories consumed and calories burned. This common belief oversimplifies a deeply complex condition. In reality, body shape and weight are influenced by a wide range of interconnected factors. The four main categories are as follows.

- **Biological:** Genetics, metabolism, chronic conditions and individual food preferences all influence how a person's body functions and responds to health challenges. These are foundational elements that shape overall well-being from the inside out.
- **Behavioural:** Daily habits, such as eating patterns, physical activity, sleep quality and smoking choices, have a direct impact on overall health. These behaviours often reflect personal routines, but they can also be shaped by stress, work or lifestyle demands.
- **Environmental:** The spaces where we live, work and move matter. Access to health care, affordable and nutritious food, safe areas for exercise and reliable transportation all influence how easily someone can pursue a healthy lifestyle.
- **Social:** Income, education level, cultural beliefs, societal expectations and beauty norms all play a powerful role. These social forces often shape health-related decisions and access to resources, many of which are beyond individual control.

Assuming that weight is purely a matter of willpower or personal responsibility ignores the deeper, systemic influences that shape people's lives. It's a mistake to believe anyone has complete control over their weight. Obesity is not simply the result of poor choices or a lack of discipline.

Recognizing this, an increasing number of organizations—including Obesity Canada, the World Health Organization and the American Medical Association—now classify obesity as a complex, chronic condition with multiple contributing factors. This underscores the need for a comprehensive and personalized approach to management, rather than one-size-fits-all solutions or judgment-based narratives.

Semaglutide: A New Era in Treatment

Research supports three key pillars for treating obesity: behavioural, pharmacological and surgical interventions. The pharmacological approach has seen significant advancements in recent years, with semaglutide emerging as a breakthrough treatment option.

Semaglutide is the active ingredient in drugs like Ozempic® and Wegovy®. It mimics glucagon-like peptide-1 (GLP-1), a hormone naturally produced in the small intestine. By stimulating insulin secretion, slowing gastric emptying and reducing appetite, it has become a valuable treatment for type 2 diabetes. Clinical studies also highlight its effectiveness in managing health conditions linked to excess weight, offering a game-changing solution to this complex and often stigmatized disease.

Benefits Beyond Weight Loss

Innovations in semaglutide GLP-1 therapy are not limited to the treatment of obesity. Clinical trials are currently underway to explore their potential in treating various other chronic conditions, such as sleep apnea, Alzheimer's disease and cancer. In 2024, Health Canada approved the use of Wegovy® to prevent heart attacks.[6]

As advances in GLP-1 therapies continue, we may see increased use in managing a broader range of therapeutic indications, which would enhance their relevance in group plans.

Therapeutic areas in focus include the following.

- Sleep apnea
- Nonalcoholic steatohepatitis
- Cardiovascular disease
- Polycystic ovary syndrome
- Alzheimer's disease
- Substance use disorder
- Cancer
- Intestinal motility disorder
- Scleroderma
- Osteopenia
- Psoriasis
- COVID-19
- Bipolar disorder
- Chronic obstructive pulmonary disease
- Prader-Willi syndrome
- Type 1 diabetes

Impact on Group Plans

With obesity rates on the rise, the use of multi-impact drugs such as semaglutide is expected to become more widespread. And despite the immediate costs associated with these new drug therapies, it's important to consider the broader implications. Insurers, advisors and plan sponsors must view this as a long-term strategy.

The high demand (and price tag) for Wegovy® put group plans in a tight spot in 2024. Beneva alone reimbursed a whopping $10.2 million in drug claims between May and December.

We anticipate that claims will reach $25 million in 2025, representing 5% to 6% of total drug costs. On the flip side, semaglutide helps employees better manage obesity, thereby reducing health risks, enhancing well-being and improving mental health. Studies show weight loss reduces anxiety and depression while boosting self-esteem. These outcomes lead to fewer workplace absences, increased productivity and more long-term savings by reducing comorbidities, ultimately offsetting the short-term rise in insurance costs.

For this approach to work, plan sponsors need to think outside the Wegovy® box. Obesity should be viewed through a new lens—an intricate condition shaped by genetic, environmental, biological and social factors. It calls for a comprehensive chronic disease management plan that goes beyond prescription drugs.

A weight-loss medication clause should be part of a broader strategy to drive sustained lifestyle changes, including healthier diets and regular exercise. To support these efforts, plan sponsors should consider offering coverage for specialized services, including registered dietitians, kinesiologists, physiotherapists and psychotherapists. Ensuring employees have access to these resources—and are aware of them—will help foster the buy-in for long-term success.

Fostering a workplace culture that embraces body diversity also supports the broader goals of group benefits. When individuals feel stigmatized, it can lead to depression and reduce engagement in health and weight-management efforts. This not only affects well-being but can also contribute to long-term disability claims and increased benefit costs. Creating an inclusive environment—backed by mental health support and thoughtful policies—helps plan members stay engaged in their health journey, ultimately reducing costs and improving plan sustainability.

Innovations in obesity treatments, such as the availability of oral GLP-1–based drugs, could drive down costs as competing or equivalent options emerge, making these treatments more affordable.

BIO

Frances Lehun is a pharmacist at Beneva with over ten years of experience specializing in high-cost drug management and pharmaceutical strategy.

Playing the Long Game

The true value of innovative therapies goes beyond their upfront cost. While they may seem expensive, their impact on society and the workplace is invaluable. By addressing the root causes of health issues, these therapies help employees return to work at their best, thereby driving productivity and reducing the hidden costs associated with illness. For plan sponsors, access to the right treatment is not just a health care decision; it's a strategic investment that protects the health of their workforce and the long-term financial health of their plans.

The importance of a comprehensive strategy that addresses physical, psychological and financial health—integrated across the entire health continuum—cannot be overstated.

Insurers and advisors play a pivotal role in helping plan sponsors see these therapies as an opportunity, transforming expenses into investments that yield lasting benefits.

When insurers, plan sponsors and advisors work together, they unlock a future where healthier, more engaged employees drive business success. This is how we can truly realize the full potential of innovative therapies, both for the workplace and for society.

Endnotes

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6. Novo Nordisk Canada. "Health Canada approves Wegovy® (semaglutide injection) to reduce the risk of non-fatal myocardial infarction." 2024.

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