

# Using 1332 Waivers to Address Obesity/Social Determinants



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# Social Determinants of Health

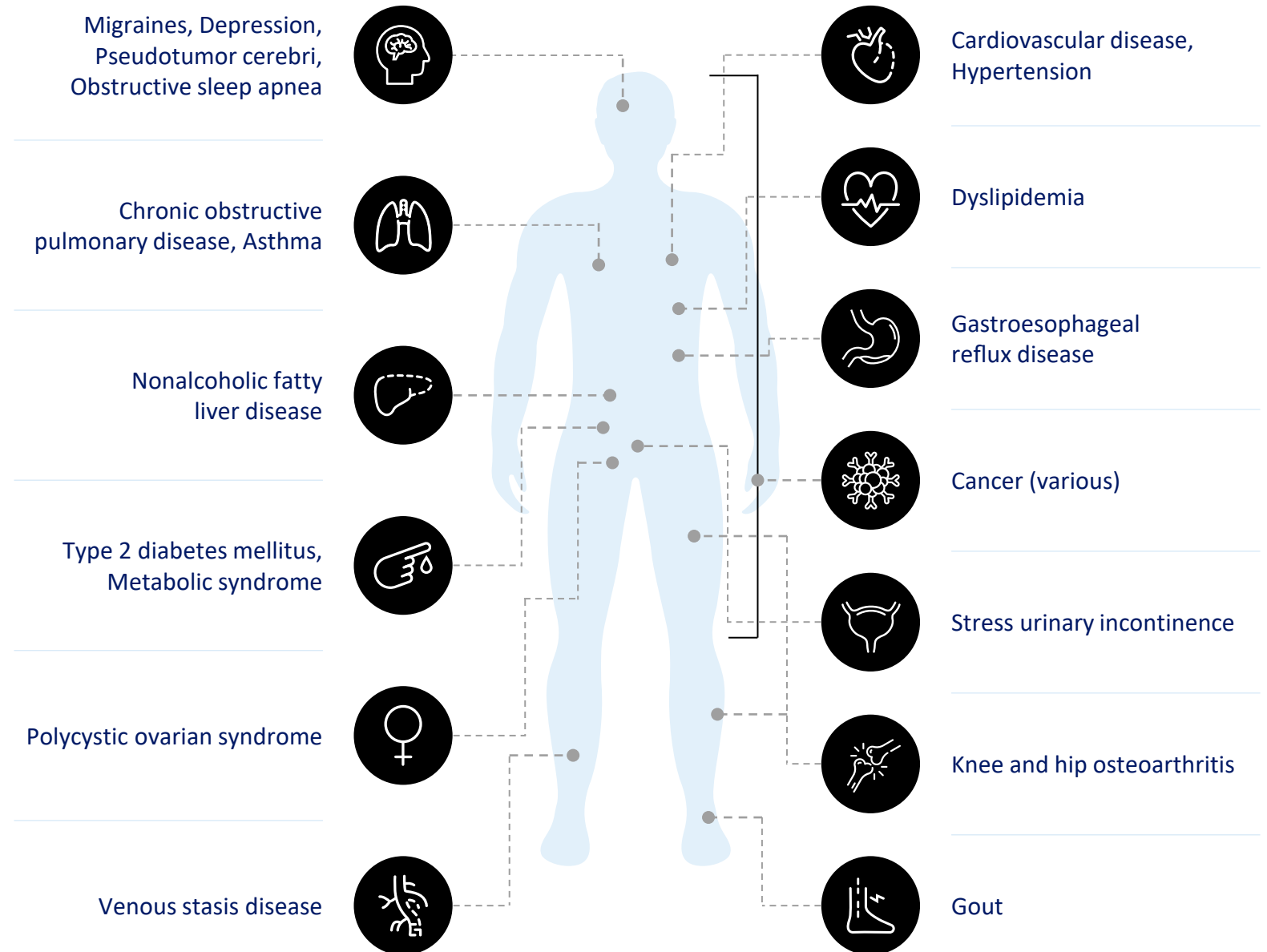


***“The number one thing state insurance regulators can do [to address health disparities] is address obesity.”***

# Patients living with obesity are at an increased risk of developing weight-related comorbidities



The beside list is not exhaustive and is intended to illustrate only a range of key complications.



# Obesity and Communities of Color

Obesity is more prevalent in communities of color than in non-Hispanic white Americans.<sup>1,2</sup>

**1.3x**

more likely for Black Americans

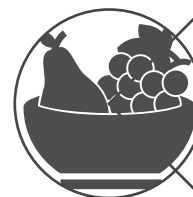
**1.2x**

more likely for Hispanic Americans

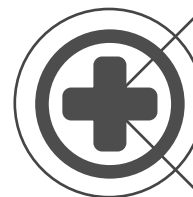


**4 out of 5** Black or Hispanic American women have **obesity or overweight**

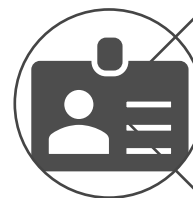
## Social Determinants of Health



Access to healthy food and places to exercise



Access to medical care/affordable insurance



Employment in lower wage jobs

Health inequities and higher obesity rates may have contributed to the disparate impact of COVID - 19 in communities of color

Sources:

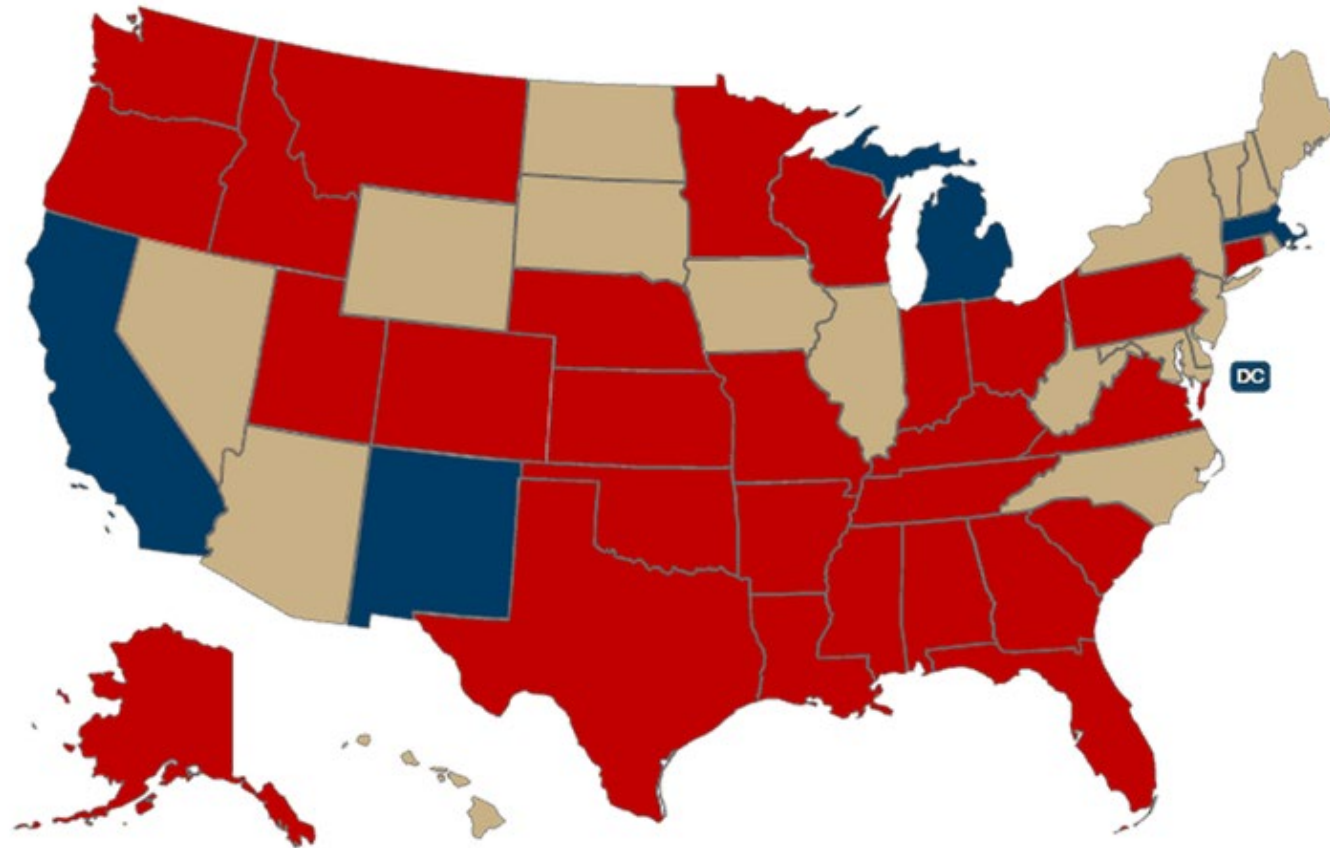
<sup>1</sup> HHS Office for Minority Health, "Obesity and African Americans,"

<https://www.minorityhealth.hhs.gov/omh/browse.aspx?lvl=4&lvlid=25>

<sup>2</sup> Hales, Carroll, Fryar, Ogden, "Prevalence of Obesity and Severe Obesity Among Adults: United States 2017 - 2018" NCHS Data Brief 2020

<https://www.cdc.gov/nchs/data/databriefs/db360-h.pdf>

# Obesity Coverage Under the ACA



- Do not cover bariatric surgery nor weight loss programs
- Covers bariatric surgery but does not cover weight loss programs
- Covers bariatric surgery and weight loss programs

Source: ASMBS Access to Care Toolkit [www.asmb.org](http://www.asmb.org)



# Using 1332 Waivers to Address Obesity

## Section 1332 Waiver Options: Key Questions for States

- What is the ACA statutory provision to be waived (i.e., *replaced* by the state plan)?
- Will the waiver meet the statutory guardrails (coverage, comprehensiveness, affordability, deficit neutrality)?
- How will any pass-through funds be calculated, and what are the likely funding levels?
- Will the waiver require a commitment of state funding?
- Are there opportunities to coordinate/align the waiver with other programs?

## Section 1332 Waiver Option: “Hybrid” Reinsurance/EHB Waiver

- Waive the definition of Essential Health Benefits (EHB) to require issuers to cover the full range of obesity treatments, including anti-obesity medications (AOMs)
- Pair the EHB waiver with a new or existing state reinsurance program, directing a portion of the reinsurance pass-through funding to offset increased costs from obesity treatment and AOM coverage
- Set a target savings amount (e.g., a small percentage of premium) associated with improving obesity-related healthcare costs (e.g., reduced claims for stents, joint replacements, etc) to trigger pass-through funding
- Evaluate the impact over the term of the waiver (up to 5 years)



# Section 1332 Waiver Option: Complex Care Plans

- Create specialized plans designed to improve care and access for individuals with obesity
- Waive the definition of Qualified Health Plans (QHP) to create “state complex care plans”
  - State-authorized coverage options made available to individual market enrollees with specific chronic conditions or complex care needs
  - May also waive the definition of single risk pool (like an “invisible high-risk pool” approach)
- Complex care plans could include enhanced benefits targeted for people with obesity or with certain BMIs; enrollment would be voluntary
- Provide opportunity for intensive case management and targeted care focusing on preventive care and effective treatments for obesity



# Questions