

Biden Wanted Medicaid to Pay for Weight-Loss Drugs. Trump Just Said it Doesn't Have to

Wegovy and other popular GLP-1s are too expensive for most people to afford without insurance.

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The Trump administration this month scrapped a Biden-era proposal that would have required state Medicaid programs and allowed federal Medicare to pay for some GLP-1s for obesity treatment. Instead, state Medicaid programs will retain the choice of whether to cover the high-priced medications for their residents.

The drugs, which have historically been prescribed to diabetic patients, also help patients lose weight and have grown in popularity among doctors and patients. But they are generally too expensive for most people to afford without insurance.

While doctors and patient advocates say these drugs are critical to helping patients struggling with obesity and can save money in the long run by reducing comorbidities such as heart disease, others say the medications are just too expensive for most states to afford. More than a dozen state Medicaid programs have opted to cover GLP-1s for obesity treatment, and the proposed Biden rule would have asked all states to figure out how to pay for them. But now, advocates fear these drugs may continue to be out of reach for many.

"It's unfortunate that they're excluding a whole class of medications that seem to have a tremendous number of health benefits to patients," Dr. Nicholas Pennings, chair of family medicine at Campbell University in Buies Creek, North Carolina, said in an interview.

GLP-1s, which stand for glucagon-like peptide-1, are a class of drugs that balance blood sugar levels. They've long been prescribed to patients with Type 2 diabetes. But since the drugs also curb hunger signals, doctors may prescribe these drugs — including popular brands Wegovy and Ozempic — to help patients lose weight.

Medicaid is a joint federal-state funded program that mostly serves people with lower incomes under the age of 65 or who have a disability. The federal Medicare program focuses primarily on people above the age of 65, no matter their income.

How and whether to cover expensive treatments and drugs can be a significant deliberation for state Medicaid directors. In North Carolina, where 70% of people struggle with being overweight or obese, officials opted to begin covering the drugs for weight loss last year. That coverage has been a game changer, said Pennings, who continues to treat Medicaid patients.

“They are expensive, but there’s a lot of other medications that are expensive too. Why is it that obesity medications and diabetes medications are being selected out?” Pennings said. “I think that’s just part of the inherent bias towards the treatment of people with obesity, feeling like it’s cheating or not necessary.”

The list price for Wegovy is around \$1,300 per month, and for Ozempic, around \$1,000. Even so, the skyrocketing popularity of these drugs has prompted at least 14 state Medicaid departments to begin covering these drugs to treat obesity in the past decade.

In addition to North Carolina, those states include California, Delaware, Kansas, Massachusetts, Michigan, Minnesota, Mississippi, New Hampshire, Pennsylvania, Rhode Island, South Carolina, Virginia and Wisconsin.

An annual survey of Medicaid directors from health policy research group KFF [recently found](#) that half of the 47 responding states not already covering the drugs were considering doing so.

In January, the National Association of Medicaid Directors [told](#) the federal Centers for Medicare & Medicaid Services that state Medicaid departments had “significant concerns over the fiscal impacts” of the Biden proposal to require coverage of GLP-1s, and “strongly recommend that CMS maintain the current state option to cover or not cover anti-obesity medications.”

But others say covering the drugs will yield long-term savings.

John Cawley, a professor of economics and public policy at Cornell University who has [studied](#) the economic impacts of obesity, has found that obesity essentially doubles a person’s annual health care costs due to comorbidities such as heart disease, fatty liver disease and kidney disease.

He’s found that weight loss among those with extreme obesity, with a BMI of 40 or higher, [can yield](#) substantial reductions in medical care costs.

Cawley added that state Medicaid programs “have a lot of flexibility” in ensuring costs don’t get out of control, by, for example, covering a newly available generic version of GLP-1s, requiring prior authorization, and asking patients to try behavioral programs before getting a prescription.

North Carolina’s Medicaid department began covering GLP-1s for obesity in August. The state has been able to afford GLP-1 coverage by negotiating rebates, or discounts, with drug manufacturers, and by getting the federal government to cover some costs. Department leaders think lowering obesity will save the state money in the long run, said Jay Ludlam, deputy secretary for North Carolina Medicaid.

He said that one of the benefits of Medicaid is that “we get to choose, as a state, where we want to make kind of those extra investments or not.” He added that covering the medications could be potentially financially feasible for other states.

“Each program is different and has its own pressures. It would be welcome to be able to come together with other states to be able to negotiate broader deals,” Ludlam said. “If North Carolina is able to get a good deal, I don’t know why other states wouldn’t be able to participate in that.”

In 2023, Connecticut [enacted a law](#) requiring Medicaid to cover obesity treatment services. The program began covering GLP-1s for weight loss, but costs were significant enough that the state [told providers](#) this year that it is now focusing on other obesity treatments instead.

Sean Scanlon, the Connecticut comptroller, said that not covering GLP-1s is “shortsighted, bad policy.” The state health plan, which takes care of teachers and other state employees, has been covering the drugs for weight loss since 2023. The plan controls costs by [only prescribing](#) GLP-1s after patients go through some online weight-loss counseling, said Scanlon.

“The most fiscally conservative thing we can do is give people tools that will save the taxpayers money in the long run,” he said in an interview. “And GLP-1 drugs are one of the best tools that we have to ensure that the taxpayers are not going to pay more money for the health care of hundreds of millions of people in the long run.”

It’s unclear whether the federal government will reverse course. [In the past](#), Health and Human Services Secretary Robert F. Kennedy Jr. has recommended “three good meals a day” and behavioral changes rather than weight-loss medication.

But this month, Kennedy told CBS News he’s considering a regulatory framework to have Medicare and Medicaid cover these “extraordinary drugs” in the future, once their cost goes down.

“Ideally, over the long-term, we’d like to see those drugs available for people after they try other interventions,” Kennedy said.

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