

The Maryland State Medical Society

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- TO: The Honorable Joseline Pena-Melnyk, Chair Members, House Health and Government Operations Committee The Honorable Steven S. Hershey, Jr.
- FROM: Danna L. Kauffman Pamela Metz Kasemeyer J. Steven Wise Andrew G. Vetter Christine K. Krone 410-244-7000

DATE: March 27, 2024

RE: **SUPPORT** – Senate Bill 594 – Maryland Medical Assistance Program – Coverage for the Treatment of Obesity – Required Study

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, **supports** Senate Bill 594, as amended by the Senate. As amended, the Maryland Department of Health, in consultation with relevant stakeholders must study the impact of requiring the Maryland Medical Assistance Program to provide comprehensive coverage for the treatment of obesity. In conducting the study, the Department must: (1) identify and compare the coverage for the treatment of obesity under Medicaid and other public health programs in other states; and (2) examine and estimate any potential savings that may result from requiring comprehensive coverage for the treatment of obesity due to reductions in the use of medications and services currently covered under Medicaid, including reductions in costs from weight-related comorbidities, including cardiovascular disease, hypertension, sleep apnea, depression, asthma, nonalcoholic fatty liver disease, Type 2 diabetes, knee and hip osteoarthritis, and gout.

This approach is very similar to the current approach requiring the Maryland Health Care Commission to examine potential mandated benefits in the fully insured commercial market. MedChi is very pleased that the study will include potential savings that may occur from treating obesity. Unfortunately, current fiscal notes only examine the cost of treatment rather than offsetting that treatment with cost savings, therefore, only painting half the picture. According to the federal Centers for Disease Control and Prevention (CDC), the obesity prevalence in the United States has increased from 30.5% (1999-2000) to 41.9% (2017-March 2020). During the same time, the prevalence of severe obesity increased from 4.7% to 9.2%. Conditions related to obesity include heart disease, stroke, Type 2 diabetes, and certain types of cancer. These are among the leading causes of preventable, premature death. The estimated annual medical cost of obesity in the United States was nearly \$173 billion in 2019. Medical costs for adults who had obesity were \$1,861 higher than medical costs for people with healthy weight.

Improving population health is a key goal of the Maryland Total Cost of Care Model. Under the Model, Maryland is expected to progressively transform care delivery across the health care system with the objective of improving health and quality of care. Addressing diabetes is one of the key goals under population health and obesity is recognized by the State as a key risk factor in developing diabetes. As such, MedChi supports the study in Senate Bill 594 and believes that it will continue to advance Maryland's current efforts under population health and that, in the longterm, it will result in cost savings to the State by avoiding those conditions most associated with obesity.