

GLP-1 Coverage Overview

Commercial · Medicare · Medicaid

Side-by-side comparison of BMI thresholds, PA requirements, step therapy, and coverage limitations across payer types. Verify all criteria directly with the relevant payer — policies change frequently.

Important: Policies Change Frequently

GLP-1 prior authorization criteria, formulary tiers, step therapy requirements, and covered indications are updated by payers on a plan-year basis — and sometimes mid-year. The information in this document reflects general patterns as of publication and is intended as a framework, not a definitive guide. Always verify current criteria directly with the relevant payer or pharmacy benefit manager before submitting.

SECTION 1

Side-by-Side Coverage Comparison

Criteria	Commercial (Employer / ACA / Group)	Medicare Part D	Medicaid (varies by state)
Approved Agents	Semaglutide (Wegovy, Ozempic), tirzepatide (Zepbound, Mounjaro), liraglutide (Saxenda), dulaglutide — varies by plan formulary	Ozempic and Trulicity for T2DM; obesity-only agents limited — see Medicare section below	Varies by state PDL. Most states cover T2DM agents; obesity-only agents covered in few states
BMI Threshold	Typically BMI \geq 30, or BMI \geq 27 with at least one obesity-related comorbidity	Same threshold when covered. Note: Medicare Part D does not cover weight loss drugs under standard benefit	T2DM: generally BMI \geq 25 with E11.x. Obesity-only: varies widely by state
PA Required	Almost always required for GLP-1 agents across both T2DM and obesity indications	PA required for Medicare Advantage plans, which set their own criteria. Traditional Medicare: see below	PA typically required. Each state Medicaid program manages its own prior auth process and criteria

<p>Step Therapy</p>	<p>3–6 months documented lifestyle intervention commonly required. Some plans also require prior failure of orlistat or phentermine</p>	<p>Step therapy requirements set by individual Medicare Advantage plans. Traditional Medicare coverage is very limited</p>	<p>T2DM indication often requires metformin trial first. Obesity-only criteria are more restrictive state by state</p>
<p>Quantity Limits</p>	<p>Initial 30-day fills common for new starts. Auto-injection pens: typically 1–4 pens per 28 days depending on dose</p>	<p>Medicare Advantage plans set their own quantity limits. Titration supply may require separate authorization</p>	<p>Quantity limits common. Some state programs limit to specific doses or require titration documentation</p>
<p>Patient Cost</p>	<p>With coverage: ~\$25–\$100/month copay. Without coverage: \$900–\$1,400/month list price. Savings cards available for commercially insured patients</p>	<p>Traditional Medicare: typically not covered. Medicare Advantage: \$0–\$100/month depending on plan. LIS reduces cost for eligible patients</p>	<p>Minimal or \$0 cost-sharing for covered Medicaid agents. Access depends on state PDL and PA approval</p>
<p>Key Limitation</p>	<p>Formulary exclusions common. Some large PBMs may exclude one brand in favor of another. Verify formulary before prescribing</p>	<p>Congress excluded 'weight loss drugs' from Medicare Part D under the Social Security Act. Weight loss is not a covered indication under traditional Medicare Part D</p>	<p>Obesity-only agents rarely covered by Medicaid. T2DM indication more accessible but varies by state</p>

SECTION 2

Commercial Insurance — What to Know

Formulary status varies by PBM, not just insurer.

Three PBMs — Express Scripts (ESI), CVS Caremark, and OptumRx — manage most commercial pharmacy benefits. Each publishes a national formulary, but employer-sponsored plans can customize their formulary. A drug covered under one ESI plan may be excluded under another. Verify the specific plan's formulary tool before prescribing.

T2DM and obesity-only agents follow different review pathways.

Ozempic (T2DM indication) routes through the T2DM formulary. Wegovy (obesity indication) routes through the weight management formulary. Same molecule — different NDCs, different criteria, different reviewers. Confirm the indication and NDC you are submitting before the PA is initiated.

Step therapy exceptions are available — but require documentation.

If the required prior medications are contraindicated for your patient, document the specific contraindication explicitly. ADHD stimulant use is a valid contraindication for phentermine. Opioid therapy is a valid contraindication for naltrexone/bupropion. Inability to take bathroom breaks (factory or manual labor) is a valid functional contraindication for orlistat. Make the contraindication specific and clinical — not just 'patient preference.'

Manufacturer savings programs reduce cost for commercially insured patients.

Novo Nordisk (Ozempic/Wegovy), Eli Lilly (Mounjaro/Zepbound), and other manufacturers offer savings cards typically reducing cost to \$25–\$99/month for eligible commercially insured patients. Patients on Medicare, Medicaid, or CHIP are generally not eligible. Eligibility and caps change — direct patients to the manufacturer website to enroll.

SECTION 3

Medicare — The Coverage Limitation

The Core Issue

The Social Security Act (Section 1860D-2(e)(2)(A)) explicitly excludes drugs used for 'weight loss' from coverage under Medicare Part D. This exclusion has existed since Part D was created in 2006. Congress has not amended it as of the date of publication.

What this means in practice: Wegovy (semaglutide for obesity), Saxenda (liraglutide for obesity), and Zepbound (tirzepatide for obesity) are not covered under traditional Medicare Part D for the weight management indication — regardless of BMI or comorbidities.

Scenario	Traditional Medicare Part D	Medicare Advantage (Part C)
T2DM + obesity, wants Ozempic	Covered — T2DM indication. Ozempic NDC approved for E11.x diagnoses	Usually covered. Verify plan formulary. Most MA plans follow Part D rules for T2DM agents
Obesity only, wants Wegovy	NOT covered — weight loss exclusion applies regardless of BMI or comorbidities	Coverage varies by MA plan. Some plans have added obesity drug coverage — verify the specific plan's formulary
T2DM, wants Mounjaro (tirzepatide)	Covered for T2DM indication. Mounjaro NDC, E11.x diagnosis required	Generally covered for T2DM. MA plans set their own PA criteria
Obesity only, wants Zepbound	NOT covered — weight loss exclusion. Zepbound NDC for obesity indication only	Some MA plans cover Zepbound — check formulary. Coverage expanding slowly as plans update benefit packages
OSA + obesity, wants Zepbound (FDA-approved for OSA in obesity)	Currently still excluded under traditional Medicare. OSA indication does not override the weight loss exclusion under current law	Some MA plans may cover for OSA indication as a supplemental benefit. This is an evolving area — verify the plan.

Low Income Subsidy (LIS / 'Extra Help')

Patients who qualify for Medicare's Low Income Subsidy program pay reduced or \$0 cost-sharing on covered Part D drugs. This does not expand the formulary — it reduces cost for drugs already covered. Patients on full Medicaid who also have Medicare (dual-eligible) typically receive LIS automatically. Apply through the Social Security Administration.

SECTION 4

Medicaid — State-by-State Variability

Medicaid is a joint federal-state program. Each state administers its own pharmacy benefit, preferred drug list (PDL), and prior authorization criteria. What is covered in one state may not be covered in another. Always verify with the specific state Medicaid program or managed care organization (MCO).

Coverage Area	General Pattern	What to Do
T2DM-indicated GLP-1s (Ozempic, Trulicity, Mounjaro)	Most state Medicaid programs cover GLP-1s for T2DM. PA often required. Step therapy (metformin trial) commonly required first.	Document T2DM (E11.x), HbA1c, and prior metformin trial. Check state PDL for preferred agent.
Obesity-indicated GLP-1s (Wegovy, Saxenda, Zepbound)	Coverage rare in traditional Medicaid fee-for-service. Some states have added obesity drug coverage through managed care or state plan amendments (SPAs).	Check the state's current PDL. If not covered, explore manufacturer patient assistance programs. An SPA may have recently added coverage.
Managed Care Organizations (MCOs)	Many Medicaid beneficiaries are enrolled in managed care plans that set their own formularies and PA criteria, subject to state oversight.	Identify whether the patient is in FFS Medicaid or a Medicaid MCO. Contact the MCO's pharmacy benefit line directly.
Dual-eligible patients (Medicare + Medicaid)	Medicare is primary payer for prescription drugs for most dual-eligible patients. Part D applies — Medicaid wraps around for cost-sharing.	Work through Part D (Medicare Advantage or standalone PDP). LIS ('Extra Help') reduces cost-sharing for qualifying patients.

How to find your state's Medicaid preferred drug list:

- Search: '[State name] Medicaid preferred drug list' — most states publish PDLs online
- CMS Medicaid Drug Rebate Program database: [medicaid.gov/medicaid/prescription-drugs](https://www.medicare.gov/medicaid/prescription-drugs)
- National Academy for State Health Policy (NASHP) maintains a state obesity drug coverage tracker at [nashp.org](https://www.nashp.org)
- Contact the state Medicaid pharmacy help line directly if the PDL is unclear

SECTION 5

Patient Access Programs

When insurance coverage is unavailable or cost-sharing is prohibitive, manufacturer programs and discount programs may help. These programs change frequently — direct patients to the manufacturer's website to verify current eligibility and enrollment.

Program Type	Who It's For	How to Access
--------------	--------------	---------------

<p>Manufacturer Savings Card (e.g., Wegovy Savings Offer, Zepbound Savings Card)</p>	<p>Commercially insured patients only. Not valid with Medicare, Medicaid, CHIP, or other government insurance.</p>	<p>Patient enrolls at manufacturer website or through pharmacy. Typically reduces copay to \$25-\$99/month. Monthly and annual caps apply.</p>
<p>Patient Assistance Program (PAP)</p>	<p>Uninsured or underinsured patients who meet income criteria. Each manufacturer sets their own threshold (commonly < 400-600% FPL).</p>	<p>Apply through manufacturer website (NovoCare, Lilly Cares, etc.) or via NeedyMeds.org or RxAssist.org.</p>
<p>GoodRx / pharmacy discount programs</p>	<p>Anyone — these are price comparison and discount programs, not insurance. Not combinable with insurance for the same claim.</p>	<p>Patient presents card or app code at pharmacy. Cost Plus Drugs (costplusdrugs.com) may list some agents at manufacturing cost.</p>
<p>340B Drug Pricing Program</p>	<p>Patients receiving care at 340B-eligible facilities (FQHCs, certain hospitals, Ryan White clinics).</p>	<p>340B pricing is accessed through the facility's covered entity registration. Patients do not apply directly. Ask if your facility is a 340B covered entity.</p>

DISCLAIMER

Professional Resource — Not a Clinical Protocol or Legal Document

This document is provided for general educational and informational purposes among healthcare professionals. It does not constitute clinical protocols, treatment guidelines, formulary guidance, or legal advice. GLP-1 prior authorization requirements, BMI thresholds, step therapy criteria, and coverage policies vary significantly by payer, plan type, formulary tier, and plan year. Information presented reflects general patterns and may not reflect current criteria for any specific plan. Always verify directly with the relevant payer or PBM before submitting a prior authorization request.

Medical Disclaimer

This website was created by a board-certified medical professional for educational and informational purposes only. Content on this site does not constitute medical advice and is not a substitute for consultation with your own healthcare provider. Always consult a qualified medical professional before making changes to your diet, medication, or treatment plan.

Informed Plate | informedplate.com