



Testimony in Opposition to LDs 480 and 627:

“An Act to Support Healthy Weight by Providing MaineCare Coverage for Certain Weight Loss Medications” & “An Act to Require Insurance Coverage for Glucagon-like Peptide-1 Receptor Agonist Medication”

Senator Bailey, Representative Gramlich, and the distinguished members of the Committee on Health Coverage, Insurance and Financial Services, my name is Harris Van Pate and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine.

Thank you for the opportunity to testify in opposition to LD 480: “An Act to Support Healthy Weight by Providing MaineCare Coverage for Certain Weight Loss Medications,” and LD 527: “An Act to Require Insurance Coverage for Glucagon-like Peptide-1 Receptor Agonist Medication.” While we recognize the importance of addressing obesity and promoting public health, this bill raises significant concerns regarding the long-term financial sustainability of MaineCare and the prioritization of limited healthcare resources.

Escalating Costs of MaineCare

MaineCare expenditures have increased dramatically in recent years, with the program now consuming a substantial portion of the state budget. As of 2023, nearly one-quarter of Maine’s General Fund expenditures were allocated to Medicaid, a trend expected to continue.¹ Given the continued expansion of eligibility and benefits, adding coverage for weight loss medications would only exacerbate this unsustainable fiscal trajectory.

The cost of weight loss medications is substantial. For example, new GLP-1 receptor agonists such as Wegovy and Ozempic can cost around \$1,000 per month per patient.² Scaling this cost across a potentially large pool of eligible MaineCare recipients would represent a major new financial burden on taxpayers. Additionally, many of these medications require long-term or lifelong use, increasing the likelihood of ballooning state expenditures well into the future.

Federal Policy and Uncertain Funding Risks

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<https://www.kff.org/medicaid/state-indicator/medicaid-expenditures-as-a-percent-of-total-state-expenditures-by-fund/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

2

<https://ldi.upenn.edu/our-work/research-updates/key-lessons-for-ethical-and-affordable-access-to-glp-1-drugs-like-ozempic-and-wegovy/>



A further concern is the uncertainty of future federal Medicaid reimbursement for weight loss medications. The current federal administration has demonstrated skepticism toward expanding Medicaid coverage to include these drugs. In October 2024, now U.S. Secretary of Health and Human Services, Robert F. Kennedy Jr., stated that Ozempic’s manufacturers are “counting on selling it to Americans because we’re so stupid and so addicted to drugs.”³ Additionally, the Congressional Budget Office has estimated that covering anti-obesity drugs under Medicare alone would generate massive costs, upwards of \$35 billion from 2026 to 2034.⁴

If Maine proceeds with this coverage expansion and the federal government later rescinds or limits reimbursement eligibility, the state will be left shouldering a substantial financial burden. This could force future administrations to cut other essential healthcare services or raise taxes to cover such an unfunded mandate.

We’ve already seen the current Maine administration propose taxes on ambulances, hospitals, and pharmaceutical providers to support expanding Mainecare costs, so further tax growth in response to further expansions of eligibility should be no surprise. Additionally, given the unpredictability of federal policy, it would be irresponsible for Maine to commit to an expansion without guaranteed long-term funding support.

Questionable Long-Term Effectiveness

Although weight loss medications can be effective for some patients, the clinical research on long-term outcomes remains inconclusive. Studies show that weight regain is common when patients discontinue use, and medications often require permanent adherence to maintain results.⁵ Moreover, MaineCare should focus on preventative and lifestyle-based interventions, such as nutritional counseling, exercise programs, and behavioral health services, which have proven cost-effective benefits without the financial volatility associated with pharmaceuticals.

LD 627’s differences

While LD 627 does not explicitly apply to Mainecare, it still raises several concerns about a mismatch between federal and state health goals. Additionally, LD 627 interrupts the free exchange of healthcare services. If an individual has a minimal desire

³ <https://www.cnn.com/2024/11/17/health/rfk-jr-ozempic/index.html>

⁴ <https://abcnews.go.com/Politics/shift-rfk-jr-weight-loss-drugs-place/story?id=116740082>

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<https://www.motleyrice.com/diabetes-lawsuits/ozempic/side-effects/weight-gain#:~:text=It%20is%20common%20for%20you,Ozempic%20during%20the%20first%20year.>



to use glucagon-like peptide-1 receptor agonist medications, then they may wish to have a healthcare plan that doesn't cover it.

Additionally, providers who do not wish to cover this medication and can provide healthcare plans without doing so should not be forced to include these medications. In effect, this would force companies and fellow patients to subsidize these medications through higher fees, and this would effectively apply to every insured person in Maine.

Conclusion

These bills represent a well-intentioned but fiscally reckless approach to addressing obesity under MaineCare. Given the ongoing escalation of Medicaid costs, federal uncertainty, and questionable long-term effectiveness of weight loss drugs, the Legislature should reject this proposal. For these reasons, we strongly urge this Committee to vote "Ought Not to Pass" on LDs 480 and 627. Thank you for your time and consideration.