

**Testimony**  
**House Bill No. 1451**  
**House Human Services Committee**  
**Representative Ruby, Chairman**  
January 28, 2025

Chairman Ruby, and members of the House Human Services Committee, I am Brendan Joyce, Pharmacy & Clinical Services Director with the Department of Health and Human Services (Department). I appear before you to provide neutral testimony on House Bill No. 1451, which requires expenditures not in Governor Armstrong's budget.

The Social Security Act subsection 1927 allows Medicaid programs to exclude drugs when used for anorexia, weight loss, or weight gain. States can choose to add coverage for anti-obesity medications by filing a state plan amendment. After numerous discussions with several physicians, the Department elected to cover a limited number of oral anti-obesity medications starting in December 2023. The Department has continuously covered bariatric surgery but would have to add coverage for intensive behavioral therapy as required in this Bill. Also, the requirement for providing notice to enrollees would be a new process for the Department.

Some current language in House Bill No. 1451 causes some additional concern. Line 9 states "comprehensive coverage" which could be interpreted to mean all. We cannot predict what future treatments will arrive, nor could we predict the costs. Also, this could restrict the Department's ability to procure bids for supplemental rebates for the drugs.

Lines 12-22 are unnecessary for a Medicaid program as federal law already provides the requirements for drug coverage. Simply stating that the Department must add coverage for these services would be sufficient and would help avoid conflicts and confusion between state and federal requirements. For example, there is nothing in state law requiring the same for diabetic or hypertension medication or treatment.

The Department prepared the fiscal note using other state Medicaid programs' recent experience in adding coverage of anti-obesity medications. The Department projects that this bill will increase net spend by the Department by \$4.4 million in total funds. The increase for drug costs would be equivalent to a 10% increase in the pharmacy budget, and the other costs are as noted in the fiscal note.

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.