



The PLAN SPONSOR'S guide to **obesity**



PRESENTED BY:

Benefits
CANADA

Obesity is increasingly recognized as a complex, chronic disease, one that has important implications not only for individual health but also for workplace productivity, benefits costs and plan member experience.

For plan sponsors, this creates a growing need to rethink how obesity is understood and addressed within benefits strategies and workplace culture. Historically, obesity was often framed as a lifestyle issue, leading to limited support within health benefits. Today, a more

comprehensive and evidence-based understanding is emerging; one that recognizes obesity as a medical condition influenced by a wide range of biological, psychological and environmental factors.

This shift matters. It changes how plan sponsors design benefits, assess risks and support plan members. It also presents an opportunity: organizations that take a more informed and inclusive approach can improve health outcomes, strengthen engagement and potentially reduce long-term costs.

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1. Why obesity matters to plan sponsors

Obesity has a measurable and multi-faceted impact on the workplace. From productivity and absenteeism to disability claims and workforce participation, its effects extend well beyond health-care utilization.

Plan members living with obesity are more likely to experience¹:

- increased absenteeism
- reduced productivity while at work (presenteeism)
- higher rates of disability claim usage

At a population level, these impacts translate into significant economic costs. In Canada, obesity is associated with an estimated \$21.7 billion annually in workplace-related costs, including productivity losses, disability payments and reduced workforce participation.²

\$21.7 billion

workplace-related cost of obesity in Canada

Notably, productivity-related costs are estimated to be more than three times greater than direct health-care costs associated with obesity.³ This highlights that the plan sponsor burden extends far beyond claims.

Weight bias also plays a role. Social stigma and discrimination can reduce workforce participation and contribute to economic losses,^{4,5} underscoring the importance of workplace culture alongside benefits design.

2. Understanding obesity as a chronic disease

A critical starting point for plan sponsors is understanding obesity through a modern clinical lens.

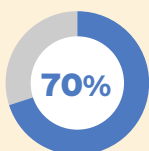
Obesity is a chronic disease characterized by excess or abnormal body fat that impairs health.⁶ It is not simply a matter of personal choice or willpower. Rather, it is shaped by a complex interplay of factors, including:^{7,8}

- biological drivers (e.g., genetics, hormones, underlying health conditions)
- psychological factors
- social and cultural influences
- environmental conditions
- individual life experiences

Research suggests that genetics alone account for 70 per cent of obesity risk,⁹ reinforcing that many contributors are outside an individual's control.

This complexity has important implications for workplace programs. Traditional wellness initiatives, often focused on diet and exercise, may support overall well-being but are insufficient as stand-alone solutions for individuals living with obesity.^{10 11 12 13}

For plan sponsors, this means addressing obesity effectively requires a broader, more integrated approach that aligns with its status as a chronic medical condition.



Genetics account for 70 per cent of obesity risk

3. Health and cost implications

Obesity is closely linked to a wide range of chronic diseases and health outcomes, many of which are also key drivers of plan sponsor health costs.¹⁴

It is associated with more than 200 health conditions, including:^{15 16}

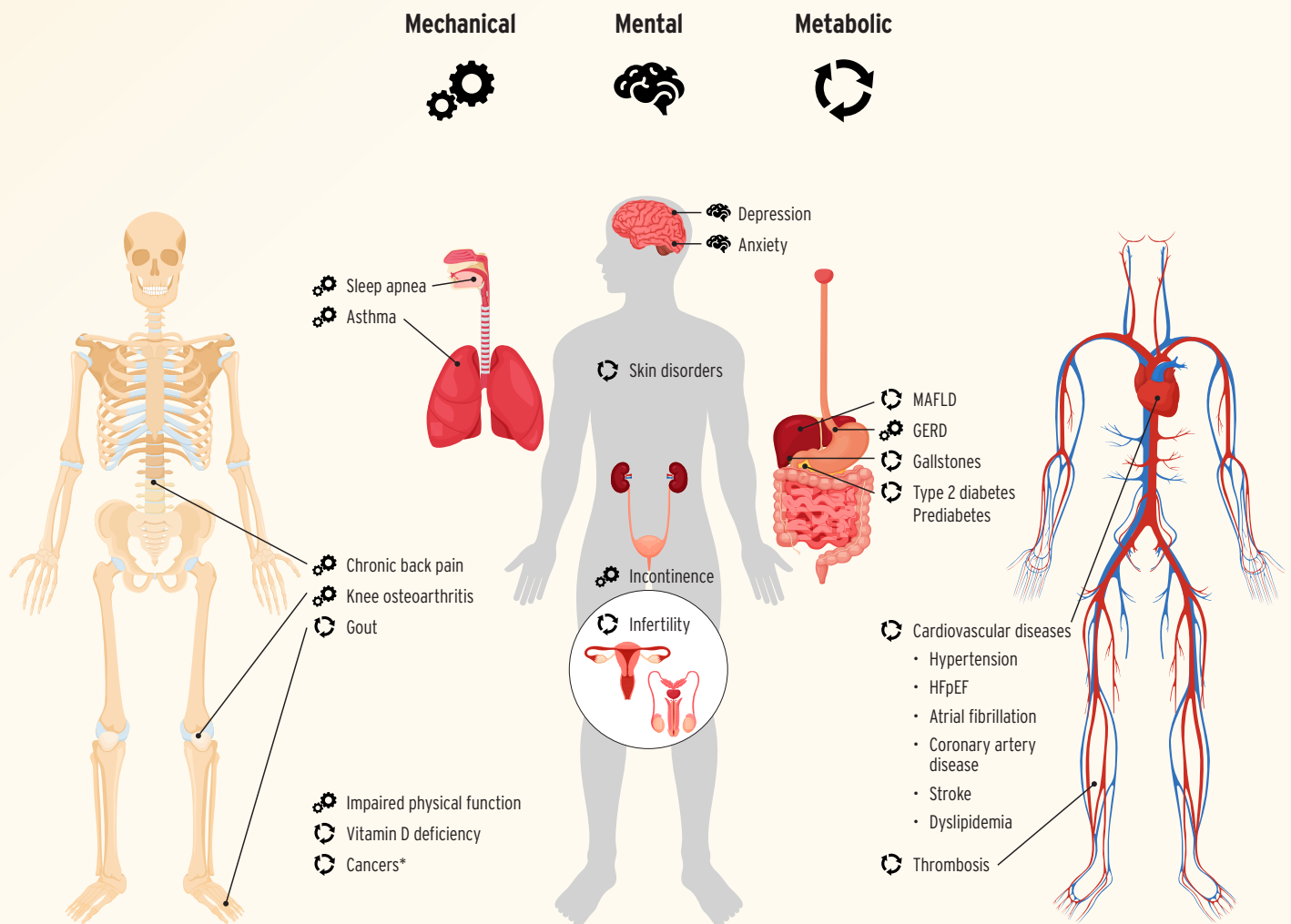
- type 2 diabetes
- cardiovascular disease
- respiratory conditions
- osteoarthritis
- certain cancers
- mental-health disorders

These comorbidities contribute to increased health-care utilization, disability claims and lost productivity. For example, individuals living with obesity are significantly more likely to develop conditions such as type 2 diabetes compared to those at a lower weight.¹⁷

Importantly, evidence shows that reductions in body weight are associated with decreases in medical expenditures across a range of conditions.¹⁸



Obesity is associated with multiple complications



*Including breast, colorectal, endometrial, oesophageal, gastric, kidney, ovarian, pancreatic and prostate. GERD, gastro-esophageal reflux disease; HFpEF, heart failure with preserved ejection fraction; MAFLD, metabolic (dysfunction) associated fatty liver disease. Adapted from Sharma AM, M, M, M & M: a mnemonic for assessing obesity. *Obes Rev.* 2010;11:808-9; Guh DP et al. *BMC Public Health.* 2009;9:88; Kivimäki M et al. *Lancet Diabetes Endocrinol.* 2022;10:253-63; Scott HA et al. *Thorax.* 2023;78:957-65; Meyer EJ and Wittert GA. *J Clin Endocrinol Metab.* 2024;109:e1267-79; Powell-Wiley TM et al. *Circulation.* 2021;143:e984-e1010; Younossi ZM et al. *Hepatology.* 2016;64:73-84; Jiang D et al. *Allergy Asthma Clin Immunol.* 2019;15:16; Li et al. *Int J Obes.* 2023;48(10):1382-1401; Frasca D, Strbo N. *J Dermatol Skin Sci.* 2022;4(3):5-10; Lauby-Secretan B et al. *N Eng J Med.* 2016;375(8):794-8; Sun M et al. *Lancet Reg Health Eur.* 2024;45:101034; StatPearls. Lim Y, Boster J. 2024. Available from: <https://www.ncbi.nlm.nih.gov/books/NBK574535/> Accessed November 2024.

Obesity is a chronic disease.

Don't wait for complications to arise.

Review your drug plan today.



\$21.7
BILLION

In 2023, absenteeism, presenteeism, and reduced workforce participation, among other causes, drove obesity-related workplace productivity costs to an estimated **\$21.7 billion**.¹

Consult your insurer or advisor to build an inclusive plan that addresses the diverse needs of your workforce, including obesity care

Reference: 1. Chen F, et al. Modeling the cost of inaction in treating obesity in Canada. *BMC Public Health*. 2025;25(865):1–9.

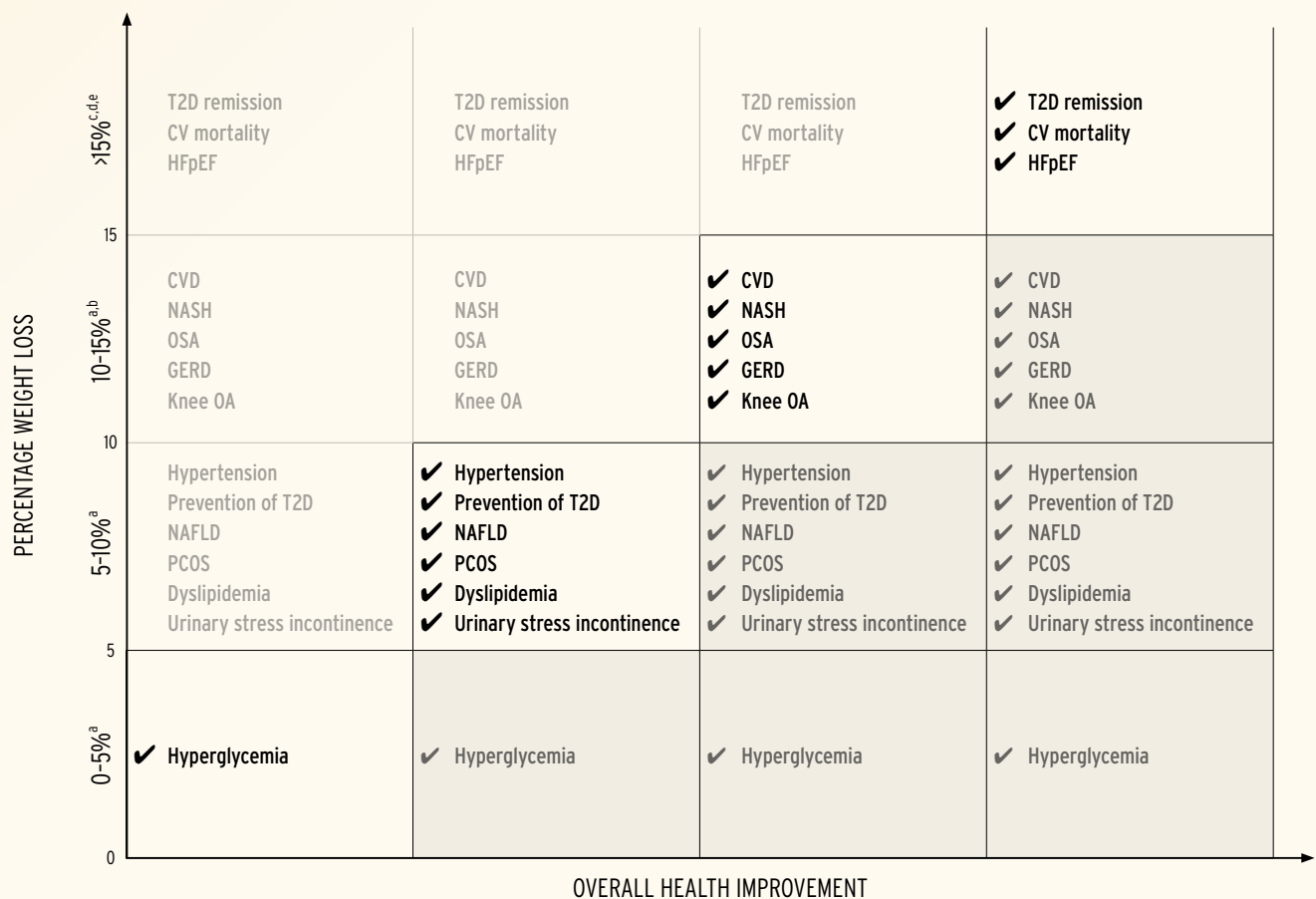
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Greater weight loss is associated with reduced risk of comorbidities and overall health improvement

✓ = improvement in comorbidity



SOURCES

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- b. Look AHEAD Research Group. Lancet Diabetes Endocrinol. 2016; 4:913-21
- c. Lean ME, et al. Lancet. 2018; 391:541-51
- d. Benraouane F and Litwin SE. Curr Opin Cardiol. 2011; 26:555-61
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4. Treatment and management: What plan sponsors should know

Managing obesity requires a comprehensive, evidence-based approach tailored to individual needs.

The Canadian Adult Obesity Clinical Practice Guidelines highlight that obesity is a long-term condition that requires ongoing care. It recommends a combination of approaches, including healthy lifestyle changes, medications, devices and sometimes surgery.¹⁹

“Obesity medications are safe and effective treatments that can help people manage their weight and improve obesity-related health conditions over the long term. Research shows they are often more effective than diet and exercise

alone because they work with the body’s biology by helping reduce increased hunger and cravings that commonly happen with weight loss. When combined with behavioural support, medications can help people achieve meaningful and lasting improvements in their health and well-being,” says Megha Poddar, MD, FRCPC, ABOM, co-author of the Canadian Obesity Clinical Practice Guidelines.

Managing obesity requires a comprehensive, evidence-based approach tailored to individual needs.





Ever wonder why
all the dieting and
exercise in the world
sometimes isn't enough?

So did we.

That's why we've spent decades conducting research on serious chronic diseases like obesity and diabetes, to better understand how they affect us all individually. And why we work hard to give Canadians a clearer picture of what they're about. Because gaining insight into these common conditions not only allows us to help Canadians living with them now, but it opens the door to future discoveries that can help generations to come. It's all part of our long-term focus: driving change for a healthier Canada.



See more of the ways
we're helping Canadians
at **novonordisk.ca**

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DRIVES
CHANGE



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5. Obesity medications

The growing visibility of obesity medications, particularly newer therapies, has brought increased attention to their role within private drug plans.



Prescription medications for obesity management

Prescription medications are increasingly recognized as an important component of treatment. These therapies are designed to regulate appetite, metabolism or other physiological processes and are typically used alongside lifestyle modifications.

Medications are meant to support, not replace, healthy habits, and they can help manage the body’s natural response to weight loss, such as increased hunger and slower metabolism.

Several prescription medications are approved in Canada for obesity management. These drugs differ in their mechanisms of action, and not all weight-loss medications are based on glucagon-like peptide-1, more commonly known as GLP-1.

Semaglutide (Wegovy®) Liraglutide (Saxenda®)	GLP-1 receptor agonists
Tirzepatide (Zepbound®)	Dual incretin – GIP and GLP-1 receptor agonist
Naltrexone/Bupropion (Contrave®) Orlistat (Xenical®) Setmelanotide (Imcivree®) ²⁰	Not GLP-1-based

Type of drug	Mechanism of action ²¹
GLP-1 glucagon-like peptide-1 receptor agonists	Regulates appetite and caloric intake by activating receptors in the brain that control hunger and food consumption
GIP gastric inhibitory polypeptide receptor	Complements GLP-1 by also reducing food intake, controlling glucose uptake and regulating how the body processes and stores fat, modulating fat breakdown and utilization at the cellular level

Generics

Canada is the first G7 country to approve generic GLP-1 therapies, with multiple options expected to become available over the next year. These could generate meaningful cost reductions for private drug plans through Canada’s generic

pricing framework, which will initially reduce price by 25 per cent and eventually as much as 65 per cent, as more manufacturers enter the market.²²



6. Current trends

GLP-1 medications are among the fastest-growing categories in drug spending, driven by clinical innovation and increased awareness. Despite this rapid growth, they still account for a relatively small share of overall claims and spending.

Medavie Blue Cross saw a rising demand for weight-management drugs driven by growing awareness and the mid-year market entry of the GLP-1 Wegovy in 2024. “Our claims for obesity treatments notably increased by 56

per cent in 2025 compared to 2024, though overall incidence remained low. Wegovy accounted for 90 per cent of weight-management drug spending in 2025,” said Marie-Hélène Dugal, their national pharmacy strategy lead.

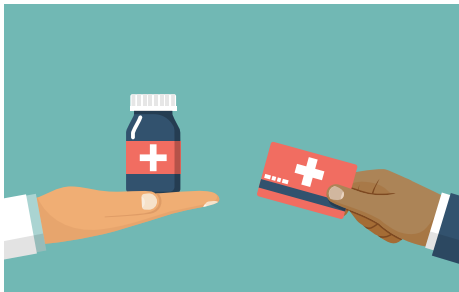
Some GLP-1 obesity medications are also offered under different formulations or brand names to treat conditions such as type 2 diabetes, cardiovascular risk reduction and metabolic dysfunction-associated steatohepatitis (MASH).

7. Plan design considerations

Historically, private plans excluded obesity drugs and often classified obesity as a “lifestyle choice.” With growing understanding of obesity as a chronic medical condition, many plan sponsors are now reconsidering whether obesity treatments should be covered by their benefits plans.

Plan sponsors are taking different approaches to coverage, including:

- Adding obesity medications to benefits plans.
- Implementing utilization controls such as:
 - prior authorization
 - eligibility criteria
 - maximums or limits



While concerns persist that obesity drug coverage could significantly raise plan costs, Dugal emphasizes that the

impact is relatively modest: about five per cent of total drug spend. Evidence cited by Priti Chawla Karunakaran, executive director of Obesity Matters, further reinforces this, showing costs of under \$10 per covered life annually.²³

They both frame coverage as a preventive investment rather than an added expense, noting that supporting members living with obesity can improve long-term health outcomes and reduce the risk and cost of related conditions. In addition, they highlight that pairing coverage with strong, evidence-based controls, such as prior authorization, helps ensure appropriate, sustainable use.

“After our introduction of more robust, outcomes-focused eligibility criteria in April 2025, spend began to stabilize, indicating that access aligned to clinical need, evidence of behavioural interventions and ongoing reassessment can curb growth. This approach helps ensure medications are used by the right members, for the right reasons, at the right time, balancing access with long-term sustainability for plans. We recommend the use of prior authorizations without imposing maximum limits, which can create significant barriers for patients in accessing medications,” said Dugal.

Coverage for obesity drugs can be viewed as a preventative investment: supporting plan members living with obesity can improve long-term health and reduce the risk (and cost) of related conditions.

Current clinical evidence shows that most people need to continue weight-management medication to maintain weight loss. When treatment is stopped, weight regain is common and associated health improvements often decline, explained Dugal. “Our criteria align with clinical guidelines that treat these medications as long-term therapy, like treatment for other chronic conditions. We continue to regularly evaluate each member’s response, focusing on ongoing improvements in health markers.”

Managing drugs like GLP-1s that treat multiple conditions presents challenges, and excluding a drug that treats obesity may exclude it for all its other approved uses. Because current electronic drug claims processes lack details about what condition is being treated, prior authorization can ensure drugs are used appropriately for each approved indication.

8. Workplace culture and weight bias

While benefits design is critical, workplace culture also plays a significant role in supporting plan members living with obesity.

Weight bias — making assumptions about individuals based on their weight²⁴ — remains widespread. More than half of people living with obesity report experiencing stigma in workplace settings.²⁵

This can have meaningful consequences, including:²⁶

- lower self-esteem and increased anxiety
- reduced engagement and job satisfaction
- impaired performance

Bias may also affect hiring, advancement and inclusion,²⁷ making it an important consideration within broader diversity, equity and inclusion strategies.

“People living with obesity often face stigma, judgment and assumptions that

their condition is simply a matter of personal choice or willpower. This can create barriers to seeking care and accessing treatment. A supportive workplace culture, paired with benefits that reflect current clinical guidelines, can help employees feel respected, supported and empowered to manage their health and improve their overall quality of life,” said Chawla Karunakaran.

For plan sponsors, this highlights that supporting plan members living

with obesity is not only about benefits, but also about creating a respectful, inclusive workplace environment.



9. Legal and risk considerations

The evolving recognition of obesity as a chronic disease may have implications for plan sponsors from a legal and risk perspective.

In Canada, human rights frameworks protect individuals from discrimination

related to disability. As obesity becomes more widely recognized as a medical condition, decisions around benefits coverage and workplace practices may carry legal implications.²⁸



10. How plan sponsors can take action

A comprehensive plan sponsor response to obesity combines benefits design, workplace practices and strategic planning.



Strengthen benefits coverage

Plan sponsors can support plan members by including access to:

- ☐ registered dietitians
- ☐ mental-health services (e.g., cognitive behavioural therapy)
- ☐ exercise and rehabilitation programs
- ☐ prescription medications for obesity management



Take a strategic approach

Plan sponsors should work with benefits advisors and insurers to:

- ☐ assess workforce needs and utilization trends
- ☐ evaluate coverage options and plan design
- ☐ consider long-term outcomes



Promote an inclusive workplace

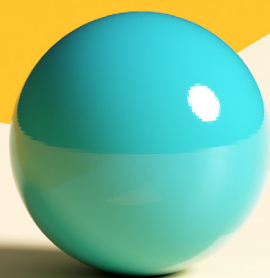
Creating a supportive environment includes:

- ☐ addressing weight bias and stigma
- ☐ ensuring workplaces are physically accessible and comfortable
- ☐ promoting respectful communication and policies



Move beyond traditional wellness

While wellness programs remain valuable, they should be positioned as part of a broader strategy, not the primary solution.



11. Key takeaways for plan sponsors

- Obesity is a chronic disease, not a lifestyle choice.
- It has significant implications for:
 - productivity
 - health-care costs
 - workforce participation
- Traditional wellness programs alone are not sufficient for addressing obesity.
- Effective management requires integrated, evidence-based approaches, including medical treatment.
- Plan sponsors play a critical role through:
 - benefits design
 - workplace culture
 - strategic alignment with clinical best practices



12. Conclusion

As understanding of obesity continues to evolve, plan sponsors have an opportunity to take a more informed and proactive approach.

By recognizing obesity as a chronic disease and aligning benefits, policies and workplace culture accordingly, organizations can improve employee health and well-being, reduce long-term costs and strengthen engagement, inclusion and retention.

Ultimately, supporting plan members living with obesity is not only a matter of health—it is a strategic investment in the workforce.



13. Recommended resources for plan sponsors

- [!\[\]\(620a8ab10575230f12c82ab7b682809e_img.jpg\) Workplace and Employer Resources](#)
- [!\[\]\(22c469cb9d4c8a42fe5cc79665934cb4_img.jpg\) Weight Bias, Stigma & Discrimination](#)
- [!\[\]\(e69657bd4beb9e9dd829d1c300040169_img.jpg\) Cost of Inaction on Obesity | Obesity Canada](#)
- [!\[\]\(5efb6bfba33a3f2094b22d1b59265c2e_img.jpg\) Adult clinical practice guideline | Obesity Canada1-Canadian-Adult-Obesity-CPG-Reducing-Weight-Bias-Stigma](#)
- [!\[\]\(be73fe2cb039f31b9fe027effb784e68_img.jpg\) How to support employees living with obesity - Benefits Alliance](#)
- [!\[\]\(614f6c3566724eaa54e9691793a159be_img.jpg\) Why Covering Obesity Medication Makes Sense for Your Business](#)
- [!\[\]\(d15d69df8cebae83e0fc0aa8834e8345_img.jpg\) OM Wellness Workshop](#)



ENDNOTES

- 1 <https://www.endocrine.org/news-and-advocacy/news-room/2023/endo-2023-press-lee>
- 2 <https://obesitycanada.ca/understanding-obesity/cost-of-inaction/>
- 3 <https://link.springer.com/article/10.1186/s12889-025-21905-2>
- 4 <https://obesitycanada.ca/employer-resources/>
- 5 <https://www.apa.org/monitor/2022/03/news-weight-stigma>
- 6 <https://www.cmaj.ca/content/192/31/e875>
- 7 <https://obesitycanada.ca/understanding-obesity/obesity-recognized-chronic-disease/>
- 8 <https://obesitycanada.ca/understanding-obesity/>
- 9 <https://pmc.ncbi.nlm.nih.gov/articles/PMC2787002/>
- 10 <https://www.cmaj.ca/content/197/27/E797>
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- 12 <https://pmc.ncbi.nlm.nih.gov/articles/PMC3406229/>
- 13 <https://pmc.ncbi.nlm.nih.gov/articles/PMC6484807/>
- 14 <https://obesitycanada.ca/understanding-obesity/health-impacts/>
- 15 https://obesitycanada.ca/wp-content/uploads/2025/02/COI-Top-Line-Findings_EN.pdf
- 16 <https://link.springer.com/article/10.1186/s12889-025-21905-2>
- 17 <https://link.springer.com/article/10.1186/s12889-025-21905-2>
- 18 <https://pmc.ncbi.nlm.nih.gov/articles/PMC8478295/>
- 19 <https://www.cmaj.ca/content/197/27/E797>
- 20 Imcivree is indicated for limited, rare genetic causes of obesity
- 21 https://pdf.hres.ca/dpd_pm/00084150.PDF
- 22 <https://canadiangenerics.ca/impact/pcpa-cgpa-pricing-agreement>
- 23 IQVIA Carrier Data, Anti-Obesity Market, 2019-2022
- 24 <https://obesitycanada.ca/for-patients/weight-bias/>
- 25 <https://obesitycanada.ca/employer-resources/>
- 26 <https://www.apa.org/monitor/2022/03/news-weight-stigma>
- 27 <https://pmc.ncbi.nlm.nih.gov/articles/PMC6452122/>
- 28 <https://www.hrreporter.com/focus-areas/compensation-and-benefits/what-are-the-legal-risks-of-offering-ozempic-as-an-employee-benefit/390835>

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