



EMPLOYER PERSPECTIVES

The value of GLP-1s: Reality check

dariohealth.com



The promise of GLP-1s

The advent of new drugs for diabetes and weight loss are game changers for managing cardiometabolic health. These drugs are helping people who have struggled with excess weight improve their Body Mass Index (BMI), in addition to other health metrics, with impressive results.

The challenge? Making sure these results don't disappear post-prescription. It's essential to address each person's whole health needs to ensure long-term success. The best mechanism to make that happen is behavior change. A healthy lifestyle gives people the tools to manage their numbers: eating right and plenty of exercise.

The difference? No dependence on access to expensive drugs that may have side effects. The promise of GLP-1s (semaglutide), which have recently exploded in popularity, is an exciting one, for both diabetes and weight loss. But without structural changes, they are just a temporary band-aid.





A recent study suggests that over

90 million

US adults with overweight or obesity would be potentially eligible for semaglutide treatment for chronic weight management.^[1]

Inflated weight and inflated prices: How did we get here?

Obesity is a chronic disease caused by a number of factors – genetic, environmental, social, and more – and there's no quick fix for it. In terms of prevalence, it's not a minute too soon for access to more drugs for weight loss.

~42% of Americans are considered obese ^[2]

~\$173 billion obesity costs in 2019 ^[3]

\$1,861 more medical costs incurred by adults with obesity than people with a healthy weight ^[4]

One study estimates that obesity increases absenteeism by three days per year due to illness or injury.^[5]

BENEFITS BEYOND WEIGHT LOSS

There are lots of reasons to shed extra pounds. Losing weight can help with preventing or reducing the risk of conditions related to obesity, such as type 2 diabetes, stroke, heart disease, and more.^[6] As we all know, this is easier said than done.

NEW STUDY: GLP-1S LIKE OZEMPIC ARE SHOWN TO PREVENT STROKE AND HEART ATTACKS IN PEOPLE WITHOUT DIABETES

People who were overweight or obese with pre-existing cardiovascular disease (CVD) who took semaglutide for three years saw a 20% reduction in strokes, heart attacks, and deaths. Participants also lost an average of 9.4% of their body weight.^[7]

THE HIGH COST OF HEALTHY WEIGHT

These drugs are expensive. Living in America means the costs are even higher – more than five times the price than in Japan, for example.^[8] According to Barclays bank, we could be looking at a \$200 billion weight-loss drug industry within the next ten years.^[9]



Novo Nordisk, the maker of Wegovy and Ozempic, expects double-digit sales growth in 2024.^[11]

The demand for prescriptions for these medications is skyrocketing, with a 259% increase in prescriptions between 2021 and 2022 alone.^[10]

OVERVIEW OF POPULAR DIABETES AND WEIGHT-LOSS DRUGS

Note: All of these medications should be used with a reduced-calorie meal plan and increased physical activity.

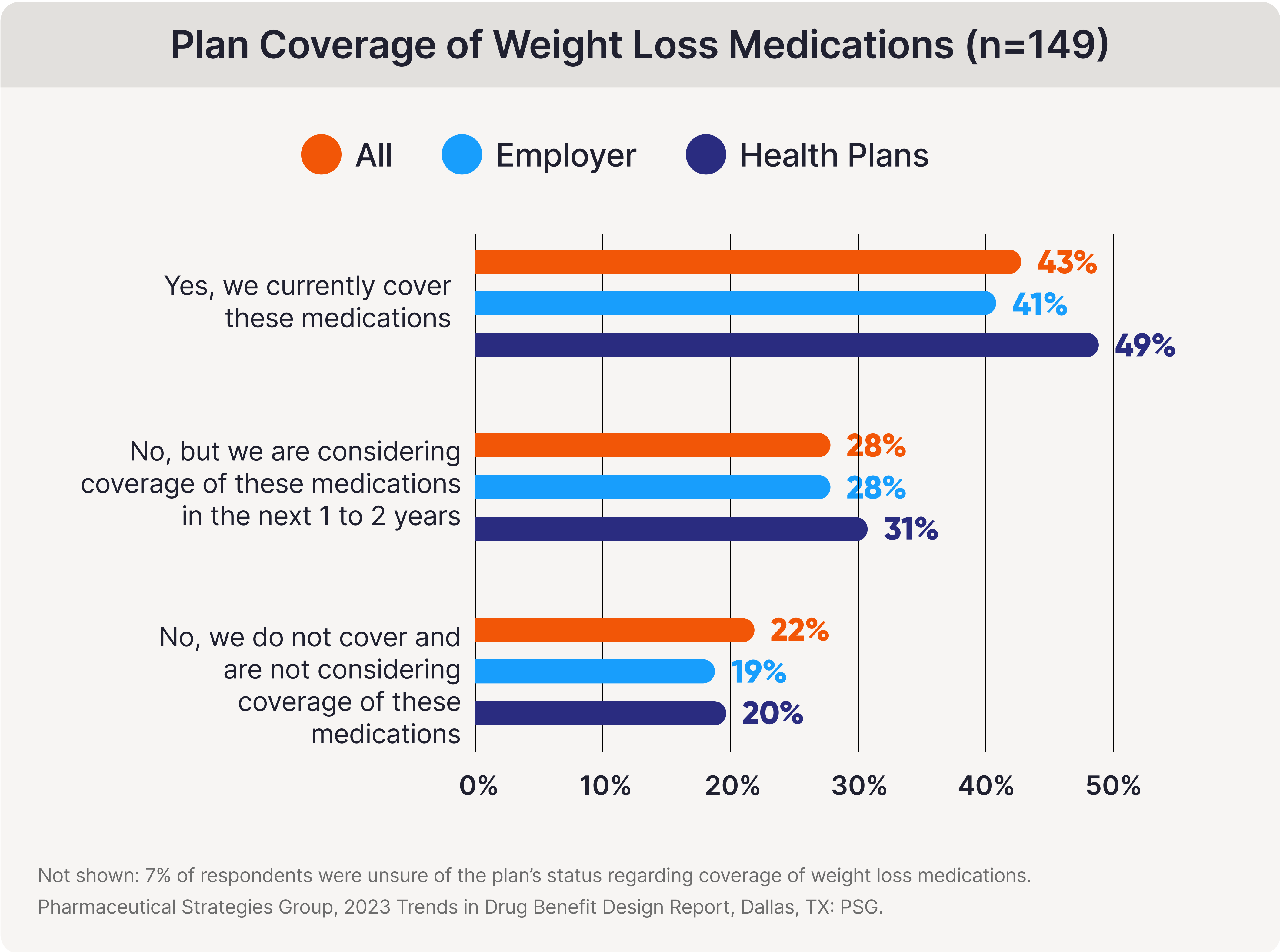


NAME	WHAT THEY'RE FOR	HOW THEY'RE TAKEN	GOOD TO KNOW
Ozempic®	For adults with type 2 diabetes to lower blood sugar	Weekly injection	Lots of celebrities, including Oprah Winfrey, have spoken publicly about using Ozempic for weight loss ^[12]
Wegovy®	For adults with obesity or some adults with excess weight and weight-related medical problems	Weekly injection	A study showed that adults lost ~35 pounds (or ~15% their body weight) ^[13]
Mounjaro®	For adults with type 2 diabetes to lower blood sugar	Weekly injection	Mounjaro may have more side effects and is more expensive than Ozempic, but it's more effective for weight loss and blood sugar control ^[14]
Zepbound™	For adults with type 2 diabetes to lower blood sugar	Weekly injection	Adults taking Zepbound in a clinical trial lost 48 pounds on average at the highest dose ^[15]
Rybelsus®	Used improve blood sugar in adults with type 2 diabetes	Taken orally once a day	In a 6-month study, the majority of people taking Rybelsus reached an A1C of less than 7% ^[16]
Saxenda®	For adults with excess weight who also have weight-related medical problems or obesity and children aged 12-17 years with a body weight above 132 pounds (60 kg) and obesity	Daily injection	1 out of 3 people achieved significant weight loss of 10% or more – 23 pounds on average ^[17]

How employers are responding to this uptick in demand

Employers are implementing plans to ensure that their population can access medications, costs are measured, and compliance is met. A recent survey found that U.S. employers covering weight-loss drugs could nearly double in 2024.^[18] Cost is an issue though: after rebates and discounts, employer-sponsored health plans pay around \$9,000 per year.^[19]

81%
of HR decision-makers feel that their employees would be interested in GLP-1 medications.^[20]



[18] Reuters | U.S. employers covering weight-loss drugs could nearly double in 2024 - survey [19] HRE Executive | As anti-obesity drug prices soar, how employers can navigate difficult choices [20] PR Newswire | GLP-1 Coverage in Employer Plans Could Nearly Double in 2024

GLP-1 coverage: 3 potential pathways for employers

#1 JUST SAY NO

Sustainable behavior change is the answer

Some employers are choosing not to cover drugs for obesity at all. Reasons include the long time frame for financial payoff, which employers may not even realize in light of employee turnover; the potential side effects that cause people to stop taking the drugs before the benefits are realized; and some employers find that the drugs are just too expensive.

This means that:

- It's possible that some employees will get diabetes drugs instead.
- Attracting and retaining talent could be more challenging.
- Employees will miss out on the clinical benefits of these drugs.^[21]

This option doesn't mean that employers are ignoring the obesity epidemic. One alternative is offering proven weight loss programs that are based on sustainable behavior change like better nutrition and increased physical activity.

#2 GO FOR IT

Partnering for prescriptions

Another possibility is working with on-site clinics, telehealth companies, or wellness companies that can prescribe FDA-approved medications, where applicable. As per the FDA recommendations, anti-obesity medications should always be accompanied by lifestyles changes – and people often need behavioral support to help with these challenges.



GLP-1 coverage: 3 potential pathways for employers

#3 YES, BUT...

Close supervision to determine efficacy

There are a number of gatekeeping options that allow for GLP-1s with qualifications. These include:

PRIOR AUTHORIZATION

Health plans need to approve a specific service in order for it to qualify for coverage

STEP THERAPY

As a control cost measure, insurance companies require that certain options are explored before they'll agree to cover certain medications, like behavioral interventions or a trying cheaper version of a drug

UTILIZATION MANAGEMENT

Analysis of the effectiveness of treatment for each person before, during, and after care delivery

DEPRESCRIBING PROGRAMS

Clinical supervision for reducing or stopping use of GLP-1s

Does GLP-1s prescribing need more oversight?

The recent tidal wave of adoption has led to some concerns, including:

- PBMs and health plans are changing their coverage plans in response to the cost from increased demand. Prior authorization could be required twice, denying coverage to previously approved claims.
- Rising demand has created **massive production shortages** which delays care for people already on these drugs.
- Not all virtual health companies engage in appropriate marketing or prescribing of GLP-1s, which can lead to **off-label use** and exacerbate the cost impact and drug shortages.
- As the number of virtual weight loss companies increases, doctors are concerned that many clinicians prescribing these drugs **aren't properly qualified** in weight loss medicine or how to deal with GLP-1's side effects.
- The proliferation of direct-to-consumer marketing of GLP-1s can be problematic, particularly for those in **recovery for eating disorders**.



Choose the right GLP-1 solution for your population

With so many digital health solutions in the market today, employers have a lot to consider. When it comes to a partner for anti-obesity and diabetes medication, here's what you want to look for:

PROVEN EXPERIENCE WITH BEHAVIOR CHANGE

These medications are great for jumpstarting positive changes, but without lifestyle modification, there's a good chance their benefits won't last. Studies show that some people regain weight and revert back to their original cardiometabolic risk factors after they stop taking these drugs.^[22]

Dario's expertise in behavior change drives our GLP-1 program, which helps employees realize the transformational power of these medications while improving their overall health. The program is designed to help people successfully realize their weight loss goals alongside these medications and beyond their prescription by focusing on a whole health approach. The combination of innovative technologies and human support, including coaches and certified diabetes educators (CDEs), helps people achieve their goals. Billions of data insights from Dario's decade of direct-to-consumer experience are used to create highly personalized journeys focused on driving sustainable lifestyle changes.



[22] Healthline | Ozempic rebound: What happens when you quit taking semaglutide?

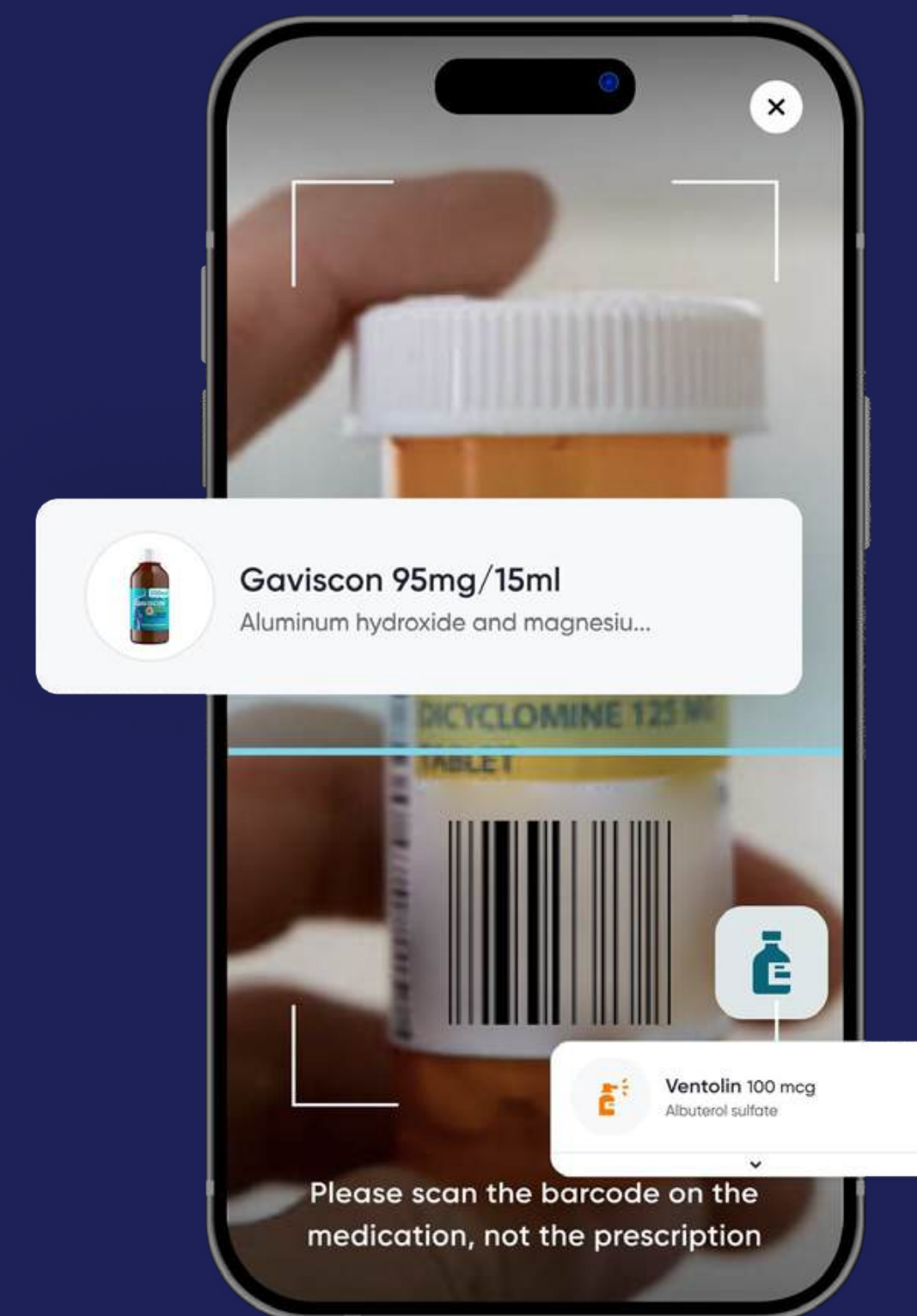
HIGH LEVEL OF DATA TRANSPARENCY

It's important to get a level of insight that goes beyond standard reporting. Dario captures and shares meaningful data about what employees are doing, including medication adherence, which features are being utilized, and what results are being achieved as a result. Due to our wealth of data and the design of the program, our partners get a high level of visibility into the impact of these medications on their population.

FLEXIBILITY TO SUPPORT ANY SCENARIO

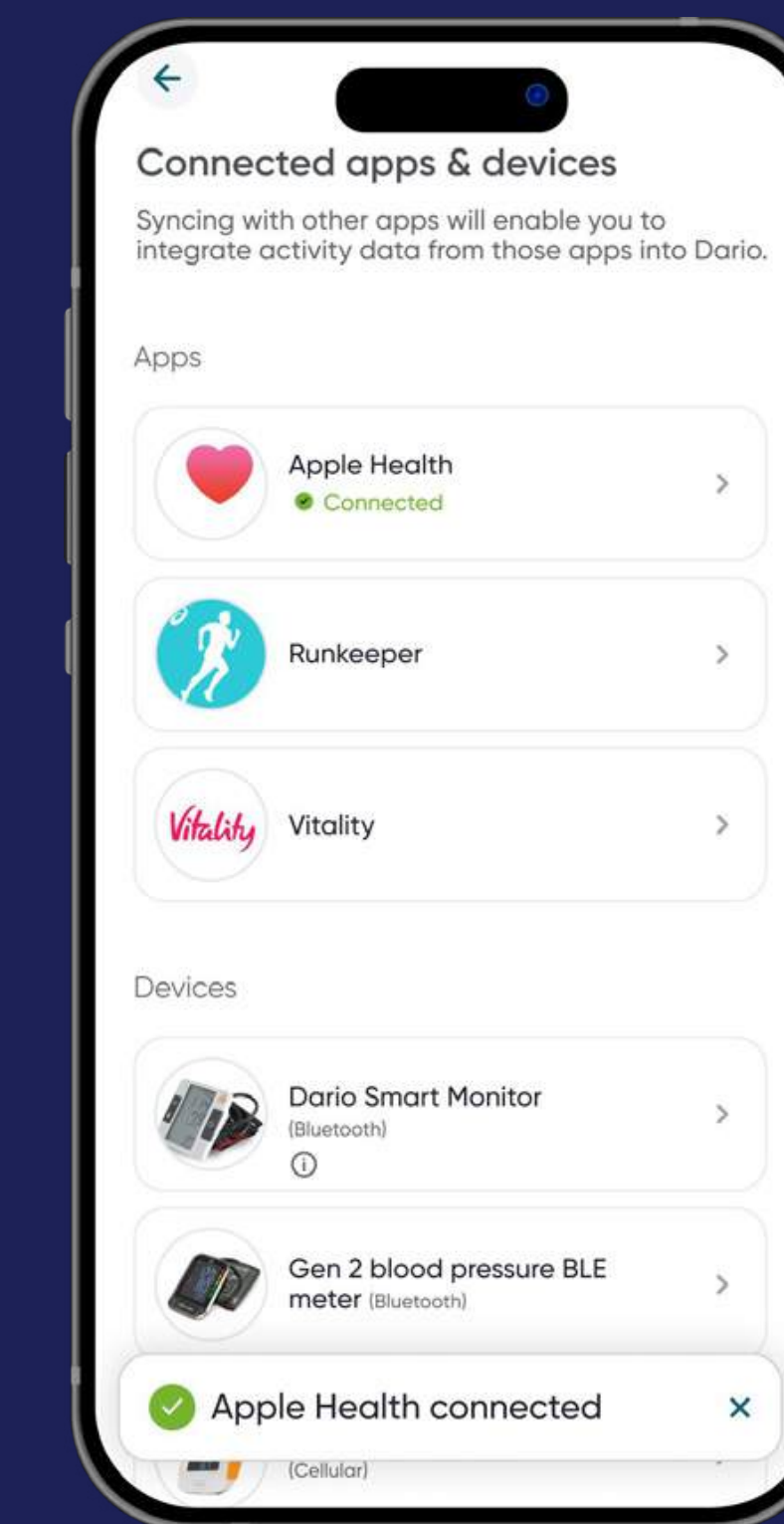
Dario has the flexibility to work with employers in any scenario to help their population succeed with weight loss. We can connect health plans and employers to ensure enrollment in Dario for behavioral intervention or provide support for anti-obesity and diabetes medications.

Give your employees the right tools for weight management success



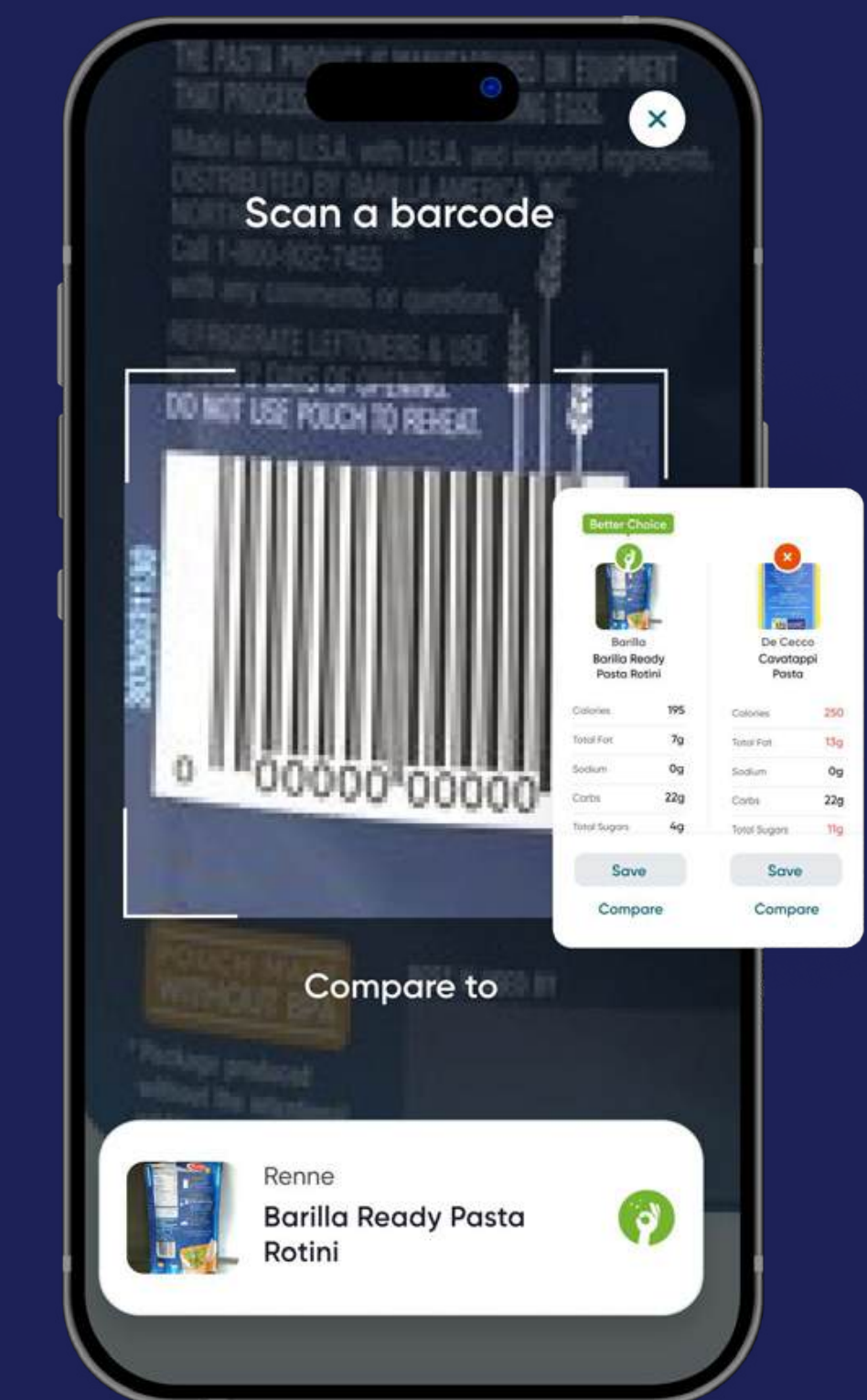
Medication Cabinet

Improves adherence by managing prescriptions, setting reminders, and providing educational support



Apple Health integration

Employees can see their Apple Health data in the Dario App for one unified view of their fitness, wellness, and nutrition numbers



Grocery Scanner & Care Kitchen

Employees get tailored recommendations for products and recipes according to their unique dietary needs

Dario's Proven Results

+45 published studies and counting



MEMBER SATISFACTION

4.9/5
stars

80%
engagement rate
after one year

250,000+
users



CLINICAL RESULTS

1.4%
reduction in eA1c

38%
reduction in blood
pressure by stage 1

10%
average reduction
in BMI



FINANCIAL RESULTS

\$5,077
cost savings per
member per year

19%
reduction in office
visits charges

23.5%
reduction in in-patient
hospitalizations



About Dario

Founded in 2011 as a direct-to-consumer digital health provider, Dario perfected its solution with real users before selling to employers, health plans, and providers. Dario's proven and popular solution makes it easy for people to care for their health, with continuous and connected digital support that meets and anticipates individual needs, understands personal motivators, and facilitates engagement and behavior change.

Learn more at dariohealth.com

Contact us for more information or to schedule a demo