

To: The Kentucky Cabinet for Health and Family Services (CHFS)

From: Leah Vukmir, Senior VP of State Affairs

Date: November 7, 2025

Re: 907 KAR 23.010; Outpatient Pharmacy Program

On behalf of the National Taxpayers Union (NTU)—the nation's oldest taxpayer advocacy organization— I respectfully submit these comments concerning the proposed changes to Kentucky's Medicaid Outpatient Pharmacy Program, particularly the removal of statutory language prohibiting coverage of anti-obesity medications (AOMs).

Removing this prohibition creates an opportunity for Kentucky policymakers to carefully evaluate the use of FDA-approved therapeutics and best practices in treating obesity and chronic diseases, while considering the resulting improvements in health outcomes and potential savings for taxpayers over the intermediate and longer terms.

According to recent <u>data</u>, Kentucky has the ninth-highest obesity rate in the United States, affecting 34.3 percent of adults. The economic burden associated with obesity in Kentucky is estimated at <u>\$36.31 billion</u>. The prevalence and cost of obesity in Kentucky underscore the significant public health and fiscal challenges your state faces.

Growing evidence suggests that AOMs can, over time, lead to reduced overall healthcare costs. NTU emphasized this point in <u>comments</u> submitted to the Centers for Medicare and Medicaid Services (CMS) in January, and numerous peer-reviewed studies — including those published in the <u>Journal of the American Medical Association</u> — further support the conclusion that adult weight loss leads to reduced healthcare expenditures. More recently, a large-scale <u>study</u> of U.S. workers with employer-sponsored health coverage found that patients using AOMs experienced improved health outcomes and a slower growth rate in medical care costs within two years. Although additional research is underway that will generate further empirical data, the aforementioned studies provide indications that AOMs could lead to savings in government health programs over somewhat nearer time horizons. Recent news that some AOMs will be made available at discounted prices via the TrumpRX portal suggests that changes may be ahead in the cost-benefit curve for AOMs that you are currently analyzing.

As you evaluate Kentucky's Medicaid Outpatient Pharmacy Program, I urge you to carefully consider the information I have shared to support a thorough and meaningful discussion about

the program's future. In addition to my work at NTU, I draw on my experience as a former pediatric nurse practitioner and former Wisconsin state senator to offer a perspective on these issues. Please do not hesitate to contact me if you have any questions or if you would like to discuss this matter further. Thank you for your time and consideration.