Senate Bill 839 (2023)  
Obesity Treatment Parity Act  
Analysis at a Glance  
as amended on 5/10/2023

**Bill Summary**

SB 839 would require comprehensive coverage for obesity treatments, including:

- Bariatric surgery
- IBT
- Prescription drugs approved by the FDA with an indication for chronic weight management, including glucagon-like peptide 1 (GLP-1) receptor agonists and non-GLP-1 drugs. Coverage criteria could not be more restrictive than the FDA-approved indications.

SB 839 would also require that cost sharing for obesity treatments not be different or separate from treatments for other illnesses, conditions, or disorders.

**Context**

**Obesity** is a chronic health condition characterized by an increase in the size and amount of fat cells in the body. Individuals with a BMI of 25 or higher are categorized as overweight and those with a BMI of 30 or higher are categorized as obese.

Causes of obesity are multifaceted and can include: lifestyle habits, environment, socioeconomic factors, and individual characteristics such as genetics and metabolism.

There are many health consequences of obesity such as an increased risk of heart disease, diabetes, and certain cancers, as well as reduced life expectancy. Nearly 3 million Californians with obesity and a half million overweight Californians with comorbidities are enrolled in health insurance that would be subject to SB 839.

**Benefit Coverage and Expenditures**

At baseline, among enrollees with health insurance that would be subject to the mandate, coverage fully compliant with the mandate varies:

- 99% for bariatric surgery and IBT;
- 10.1% for GLP-1s;
- 32.5% for non-GLP-1s.

Postmandate, all would have fully compliant coverage.

Total net annual expenditures increase by $1.27 billion or 0.9% for enrollees with plans and policies regulated by DMHC and CDI.

Because premium changes would exceed 1% for several market segments, 10,000 enrollees would become uninsured.

**Public Health Impacts**

Postmandate, 149,000 enrollees would use either GLP-1s (a 90% increase) or non-GLP-1s (a 68% increase). Enrollees who used consistently would see a 5–14% decrease in body weight.

5–14%

**Long–Term Impacts**

- Reduction in the prevalence of obesity and obesity-related chronic disease
- Reduction in downstream effects such as impacts on premature death

It is unclear if long–term use is associated with severe or persistent harms.