

# Medicare & Semaglutide Coverage Quick-Reference Guide

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A printable patient guide explaining what Medicare Part D covers for semaglutide (Ozempic, Wegovy, Rybelsus) and GLP-1 medications, including the new BALANCE model changes for 2026-2027.

## At a Glance

- > Medicare Part D covers semaglutide for type 2 diabetes and cardiovascular risk reduction.
- > Federal law prohibits Medicare from covering drugs prescribed solely for weight loss.
- > Over 83% of Part D plans now require prior authorization for GLP-1 medications.
- > Starting July 2026, a new CMS demonstration will offer GLP-1s for obesity at \$50/month.
- > The 2026 Part D out-of-pocket maximum is \$2,100; deductible is \$615.

*DISCLAIMER: This guide is for informational purposes only and does not constitute medical advice. Coverage policies change frequently. Always consult with your healthcare provider and your specific Medicare Part D plan to confirm your benefits and costs. Synedica is not affiliated with any insurance provider or pharmaceutical manufacturer mentioned. Information current as of February 2026.*

## 1. What Medicare Part D Covers for Semaglutide

The central issue determining Medicare coverage for semaglutide is the reason for the prescription. The Social Security Act specifically excludes drugs used for "anorexia, weight loss, or weight gain" from Part D coverage. However, when these same drugs are approved for other conditions, Medicare can and does cover them.

### Semaglutide Products: Coverage by Indication

Medication	FDA-Approved Indication	Medicare Covers?
Ozempic (inj.)	Type 2 Diabetes + CV Risk Reduction	YES
Rybelsus (oral)	Type 2 Diabetes	YES
Wegovy (inj.)	CV Risk Reduction (with CVD + obesity)	YES
Wegovy (inj.)	Chronic Weight Management	NO (by law)
Wegovy (oral)	Chronic Weight Management	NO (by law)
Mounjaro (inj.)	Type 2 Diabetes	YES
Zepbound (inj.)	Chronic Weight Management	NO (by law)
Zepbound (inj.)	Obstructive Sleep Apnea	YES

### Key Legal Exclusion

The Social Security Act prohibits Medicare Part D from covering drugs used for "anorexia, weight loss, or weight gain." This is why semaglutide prescribed solely for obesity/weight management is NOT covered, even though it has FDA approval for this use. This exclusion is the reason the BALANCE model was created as a workaround.

## 2. Prior Authorization Requirements

Prior authorization (PA) has become nearly universal for GLP-1 medications in Medicare Part D. According to a 2025 study in JAMA Network Open, PA requirements surged from under 25% in mid-2023 to over 83% by mid-2024 for all three major semaglutide products.

### PA Rates by Product (2024 Q3)

Product	Formulary Coverage	PA Required	Trend
Ozempic (inj.)	> 90%	83.6%	Sharp rise since 2023
Rybelsus (oral)	91.8%	83.0%	Sharp rise since 2023
Mounjaro (inj.)	92.9%	83.2%	Sharp rise since 2023

To pass PA, your doctor must document that the prescription is for a covered indication (type 2 diabetes or cardiovascular risk reduction), not for weight loss.

### 3. The BALANCE Model: What Changes in 2026-2027

The BALANCE (Better Approaches to Lifestyle and Nutrition for Comprehensive hEalth) Model is a voluntary CMS program designed to expand access to GLP-1 medications for weight management under Medicare and Medicaid. It represents the most significant change in Medicare obesity drug coverage in the program's history.

#### Timeline of Key Events

Date	Event	Details
Dec 2025	BALANCE Announced	CMS announces the voluntary model; manufacturers and plans invited to participate.
Jan 2026	Opt-in Deadline	Drug manufacturers, states, and Part D plans had until Jan 8 to opt in.
May 2026	Medicaid Launch	State Medicaid agencies that opted in can begin covering GLP-1s for weight loss.
Jul 2026	Medicare Demo	Short-term payment demonstration launches. Eligible Part D beneficiaries pay \$50/month. Operates OUTSIDE of Part D benefit.
Jan 2027	Part D Integration	Participating Part D plans integrate GLP-1s for weight management into formularies. Standard Part D cost-sharing applies.
Dec 2031	Model Ends	BALANCE model testing concludes unless extended.

#### Key Details About the July 2026 Demonstration

- This program operates OUTSIDE of the standard Part D benefit structure.
- Part D Plan Sponsors do NOT carry risk for GLP-1 products under this demonstration.
- CMS will administer the entirety of the payment demonstration directly.
- Eligible beneficiaries will pay \$50 per month for GLP-1 medications.
- The \$50 copay does NOT count toward your Part D deductible or \$2,100 OOP cap.
- Coverage is NOT guaranteed; it depends on manufacturer and plan participation.

**IMPORTANT:** The BALANCE model is VOLUNTARY. Not all drug manufacturers or Part D plans will participate. Check with your plan and CMS for the latest information on participating plans and covered medications. Visit [cms.gov/balance](https://cms.gov/balance) for updates.

## 4. Understanding Your 2026 Out-of-Pocket Costs

Even when a GLP-1 is covered by your Part D plan for a qualifying indication, you will have out-of-pocket expenses. The standard Part D benefit in 2026 has the following structure:

Cost Phase	What You Pay	Key Numbers
<b>Deductible</b>	You pay 100% of drug costs	\$615 annual deductible
<b>Initial Coverage</b>	25% coinsurance after deductible	Plan pays 75%
<b>Catastrophic</b>	\$0 after reaching OOP max	\$2,100 annual OOP cap

### Cost Estimator: What Might You Pay for Ozempic?

The following example illustrates potential costs for a Medicare Part D beneficiary taking Ozempic at a list price of approximately \$935/month. Actual costs depend on your plan's negotiated price and formulary tier.

Month	Phase	Estimated Monthly Cost	Cumulative OOP
1	Deductible	\$615 (full deductible)	\$615
2	Initial Coverage (25%)	~\$234	\$849
3	Initial Coverage (25%)	~\$234	\$1,083
4	Initial Coverage (25%)	~\$234	\$1,317
5	Initial Coverage (25%)	~\$234	\$1,551
6	Initial Coverage (25%)	~\$234	\$1,785
7	Initial Coverage (25%)	~\$234	\$2,019
8	Approaching Cap	~\$81 (to reach \$2,100)	\$2,100
<b>9-12</b>		<b>\$0</b>	<b>\$2,100</b>

NOTE: This is an illustrative example only. Your actual costs will depend on your specific plan's negotiated drug price, formulary tier placement, and any applicable discounts. Beneficiaries who qualify for the Low-Income Subsidy (Extra Help) may pay significantly less.

## 5. Your Medicare GLP-1 Coverage Checklist

Use this checklist to determine your coverage options and take the right steps to access your GLP-1 medication through Medicare.

### Step 1: Determine Your Indication

- I have been diagnosed with Type 2 Diabetes Mellitus (ICD-10: E11.x)
- I have established Cardiovascular Disease (history of heart attack, stroke, or PAD)
- I have Obstructive Sleep Apnea (for Zepbound only)
- I am seeking treatment for weight loss / obesity ONLY

If you checked one of the first three boxes, your medication may be covered under current Medicare Part D rules. If you checked only the last box, coverage is NOT available until the BALANCE model launches (July 2026 demonstration or January 2027 for Part D plans).

### Step 2: Check Your Part D Plan

- Confirm your medication is on your plan's formulary (drug list)
- Identify the formulary tier (affects your copay/coinsurance)
- Check if prior authorization is required (very likely - 83%+ of plans)
- Note any step therapy requirements (may need to try metformin first)
- Confirm any quantity limits on the prescription

### Step 3: Prepare for Prior Authorization

- Ensure your doctor has documented your qualifying diagnosis
- Gather supporting lab work (A1c for diabetes, lipid panel, etc.)
- Ask your doctor to prepare a Letter of Medical Necessity if needed
- Confirm your doctor's office will submit the PA request promptly

### Step 4: Understand Your Costs

- Calculate your expected out-of-pocket costs using the table on Page 4
- Check if you qualify for the Low-Income Subsidy (Extra Help)
- Ask about Patient Assistance Programs from the drug manufacturer
- Consider the \$2,100 annual OOP cap when budgeting

### Step 5: Plan for the Future

- Monitor the BALANCE model announcements at [cms.gov/balance](https://cms.gov/balance)
- During Open Enrollment (Oct 15 - Dec 7), compare plans for 2027 coverage
- Ask your plan if they will participate in BALANCE for January 2027
- Consider switching plans if a participating plan offers better coverage

## 6. Helpful Resources & Contacts

### Official Government Resources

Resource	Website / Contact	What It Offers
<b>Medicare.gov</b>	medicare.gov	Plan Finder, drug cost lookup, benefits info
<b>CMS BALANCE Model</b>	cms.gov/balance	Latest updates on GLP-1 coverage expansion
<b>1-800-MEDICARE</b>	1-800-633-4227	24/7 help with Medicare questions
<b>Extra Help / LIS</b>	ssa.gov/extrahelp	Apply for Low-Income Subsidy
<b>Medicare Plan Finder</b>	medicare.gov/plan-compare	Compare Part D plans and drug costs
<b>State Health Insurance Assistance (SHIP)</b>	shiphelp.org	Free local counseling on Medicare

### Manufacturer Patient Assistance Programs

Manufacturer	Program	Contact
<b>Novo Nordisk</b>	NovoCare / Wegovy Savings	novocare.com   1-888-693-6337
<b>Eli Lilly</b>	Lilly Cares Foundation	lillycares.com   1-800-545-6962

### References

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- AARP. (2026). When Will Medicare Cover Ozempic, Other Weight-Loss Drugs?
- Social Security Act Section 1862.
- FDA. (2024). FDA Approves First Treatment to Reduce Risk of Serious Heart Problems in Adults with Obesity or Overweight.

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