

Trump admin shifts course on Medicare GLP-1 coverage

[Maya Goldman](#) – Axios

April 22, 2026

The Trump administration is indefinitely delaying a [Medicare pilot program](#) to cover weight-loss drugs after health insurance companies voiced concerns about participating, federal officials said Tuesday.

Why it matters: It's a blow to the administration after President Trump last year touted deals with Eli Lilly and Novo Nordisk to cut prices on GLP-1 drugs in exchange for access to a new pool of patients.

- Medicare will still cover the drugs for weight loss through a transitional program starting in July and running through the end of 2027, but it will foot the bill on its own.

State of play: The administration will shelve plans for a five-year experiment known as BALANCE, in which participating private Medicare insurers would have paid for drugs like Zepbound and Wegovy as a regular benefit.

- The extra time and data will "inform the potential implementation of BALANCE in Part D," the Centers for Medicare and Medicaid Services said in a memo.
- The transitional program means seniors can still get expanded coverage, and participating Medicare drug plans don't have to take on any financial risk.
- But without the pilot program, Medicare patients who have been prescribed GLP-1s for weight loss [can't count](#) a \$50 co-pay towards their deductible or out-of-pocket maximum. That change could pose a financial barrier for some.
- CMS is still moving forward with the Medicaid portion of the pilot, and states can apply through July 31 to participate.

Zoom in: Bobby Hunter, UnitedHealth CEO of government programs, cited concerns about the initiative on the company's earnings call Tuesday morning.

- "We would like to find a path to yes on coverage over time, but there are some notable challenges and outstanding questions with the currently planned structure."

Yes, but: Raymond James analyst Chris Meekins said the bridge program will give CMS time to find a path forward for the BALANCE pilot and still help beneficiaries access the drugs at lower costs.

- "This is a win for plan sponsors, [Eli Lilly and Novo Nordisk], as well as for Medicare beneficiaries," he wrote in an analyst note.

Medicare is barred by law from covering weight-loss drugs. The BALANCE program was intended as a workaround, allowing Medicare beneficiaries to access the drugs for just the \$50 co-pay.

- But the effort hinged on getting Medicare drug plans covering 80% of certain beneficiaries to participate.
- Insurers had until April 20 to opt in.
- A spokesperson for the insurer trade group AHIP said the transitional program is "a common-sense step to maintain access for seniors and generate important learnings that can be applied to ensure sustainable coverage moving forward."

- An Eli Lilly spokesperson said the company supports the intent of the BALANCE pilot, and that the extension "provides an important opportunity to continue reaching patients who can benefit from GLP-1 therapies today."