



# The rise of obesity in Canada

Impacts, challenges, and solutions



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# Introduction

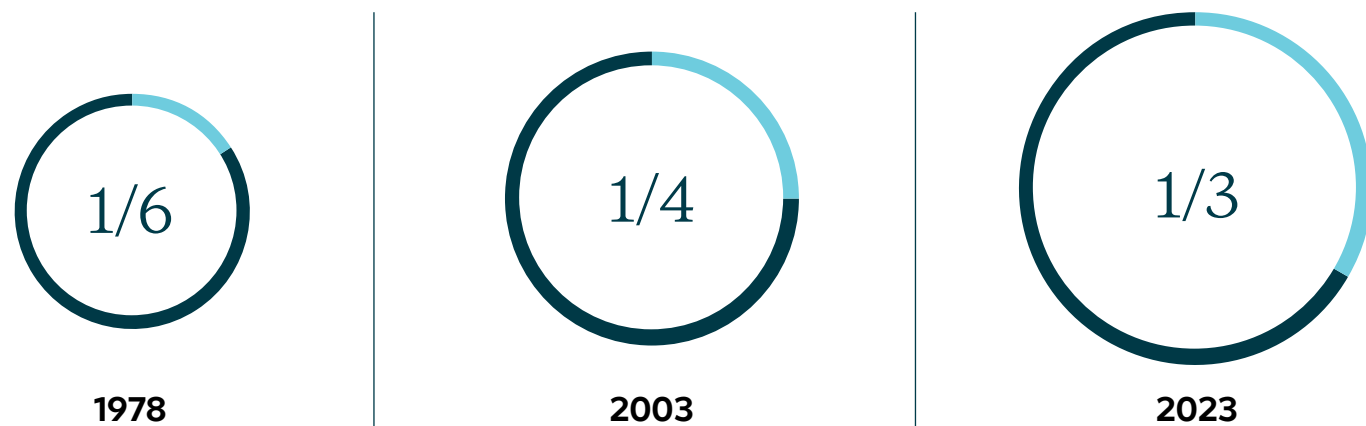
Since the late 1970s, Canada has experienced a steep rise in the proportion of the population living with obesity. This trend impacts both men and women.

In 2023, nearly one in three Canadian adults reported living with obesity, a significant jump from just one in four in 2003 and double that seen in the late 1970s.<sup>1</sup>

Obesity's association with many chronic conditions, including diabetes, heart disease and cancer, makes it a critical concern at an individual and societal level. The impact on employers is no less concerning. The estimated cost to Canadian workplaces due to lost productivity, absence and disability totals \$9 billion annually.<sup>2</sup>

## Canadian obesity rates have more than doubled since the 1970s

Proportion of Canadian adults living with obesity



Sources:

Government of Canada: Obesity in Canadian adults: it's about more than just weight

Anderson LN, Islam R, Sweetman A. Trends in obesity defined by body mass index among adults before and during the COVID-19 pandemic: a repeated cross-sectional study of the 2009–2023 Canadian Community Health Surveys, *CMAJ*. 2025;197(25):E708–E718.

# Understanding obesity as a complex chronic disease



The Canadian Medical Association defines obesity as a complex chronic disease in which abnormal or excess body fat (adiposity) impairs health, increases the risk of long-term medical complications and reduces lifespan.<sup>3</sup>

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The cause of obesity is rarely straightforward. It often involves a complex interplay of many factors. These include:<sup>4</sup>



**An individual's genetics and metabolism** (genetics alone accounts for 40-70% of the variation in people's weight)



**Associated chronic conditions** which can contribute to, or exacerbate, obesity, including through drug side effects



**Psychosocial factors**, such as high stress, poor sleep, mental health issues, and adverse childhood experiences



**Low socioeconomic status**, which can limit access to nutritious food.

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Obesity is linked to over 200 chronic medical conditions, including key drivers of workplace absence and disability such as cardiovascular disease, musculoskeletal conditions and mental disorders.

# Obesity's association with many other chronic conditions

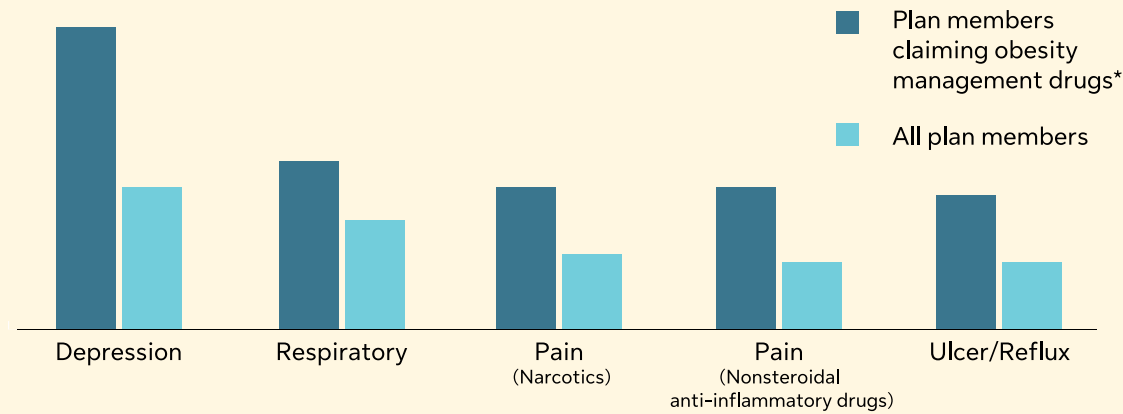
Our claims analysis helps illustrate the many health impacts associated with obesity (Figure 1). We looked at plan members claiming for obesity management drugs one year prior to their first claim. Compared with our total plan member base, these plan members were much more likely to be claiming for drugs to treat many other chronic conditions. This was most notable for depression (twice the base rate), respiratory conditions, ulcer/reflux, and pain-related drugs.

We also found that plan members taking obesity management drugs were twice as likely to be on long-term disability (LTD) leave (Figure 2) compared with the total plan member base. This group has a particularly higher incidence of mental disorder and musculoskeletal disorder claims. These claim categories account for six in 10 LTD claims across our block of business.

These impacts represent a significant human toll on employees living with obesity, as well as impacts on workplaces in terms of lost productivity and disability claims costs.

FIGURE 1

## Proportion of plan members making drug claims (by drug class)



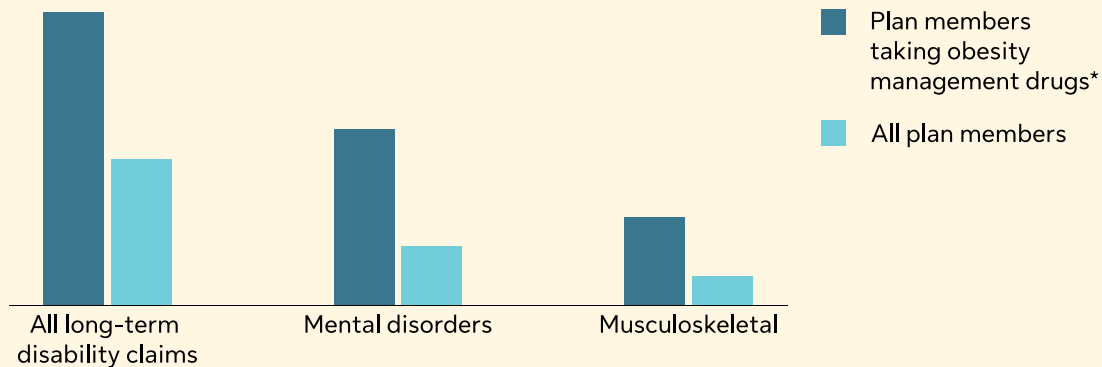
\*Represents the drug claiming of plan members 1 year prior to claiming for obesity management drugs

Source: Sun Life data, 2019-2025

Plan members claiming obesity management drugs were **2X more likely** to claim for depression drugs

FIGURE 2

## Long-term disability claims incidence (by claim type)



\*Represents new LTD claims within 1 year prior to claiming for obesity management drugs

Source: Sun Life data, 2019-2025

Plan members living with obesity are:

- **2X more likely** to have an LTD claim
- **2.2X more likely** to have a mental disorder claim
- **2.6X more likely** to have a musculoskeletal claim

# The growing role of obesity management drugs



Much like other common chronic conditions (such as hypertension, asthma, or diabetes), drug therapy is a key tool to help manage obesity.

The recent introduction of glucagon-like peptide-1 (GLP-1) agonist-based drugs has driven much of the profile and demand for obesity management drugs over the past several years. These drugs mimic the naturally occurring GLP-1 hormone that helps regulate blood sugar and appetite.

GLP-1 drugs were originally developed to treat type 2 diabetes but became popular for the weight loss they caused in patients.

Of the drugs approved in Canada for weight loss, Saxenda® and Wegovy® are GLP-1 agonists, while Zepbound® mimics the GLP-1 hormone as well as glucose-dependent insulinotropic polypeptide (GIP), another hormone that regulates blood sugar and appetite.

## Five drugs are currently approved by Health Canada for long-term obesity management:

Drug name	Year approved	Weight loss after one year
<b>Xenical® (Orlistat)</b>	1999	5.5%
<b>Saxenda® (Liraglutide)</b>	2015	4.8%
<b>Contrave® (Naltrexone/bupropion)</b>	2018	12.5%
<b>Wegovy® (Semaglutide)</b>	2021, available in Canada only in 2024	12.5%
<b>Zepbound® (Tirzepatide)</b>	2025	11.9-17.8%

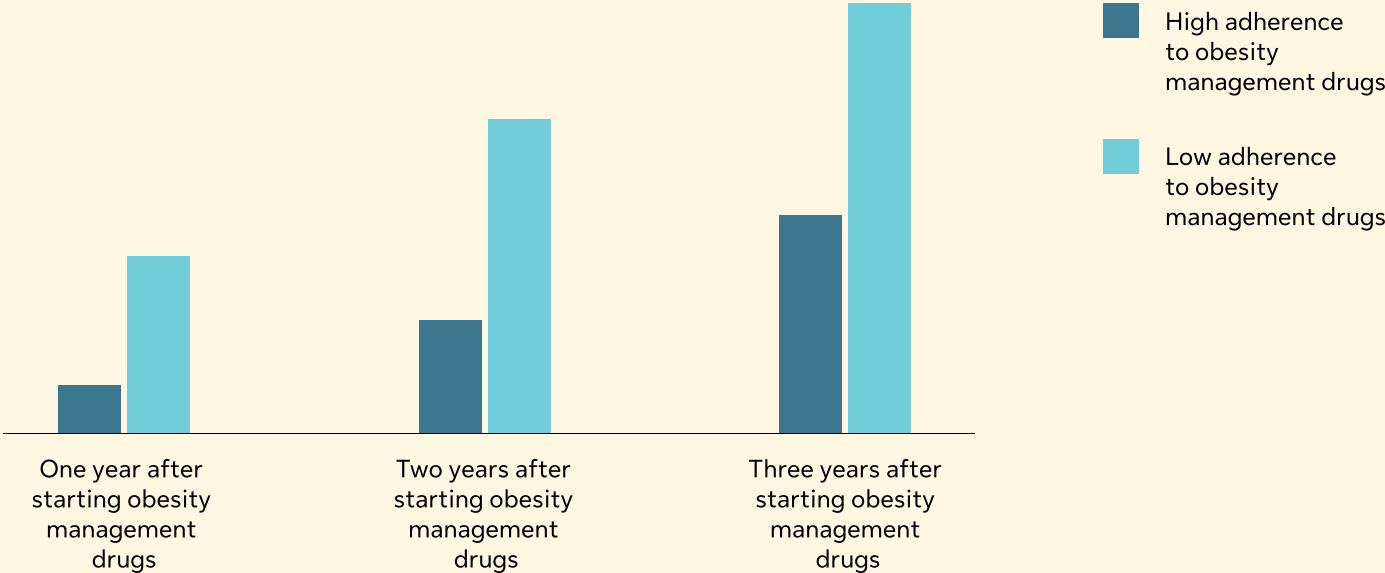
# Positive health outcomes

The potential health outcomes associated with obesity management drugs are very promising.<sup>5</sup> We can see this in our own data. Figure 3 compares plan members who claimed for obesity management drugs for at least a year (high adherence group) with those who claimed for these drugs for 6 weeks or less (low adherence group). Plan members in the high adherence group were half as likely to have developed type 2 diabetes three years later.



*Plan members who adhered to their obesity management drugs were half as likely to develop diabetes.*

**FIGURE 3**  
**Proportion of plan members living with obesity who developed diabetes**



Source: Sun Life data, 2019-2025

- Note:
- This analysis included only members who initiated obesity management drugs prior to developing diabetes.
  - The initiation of diabetes drugs was used to indicate the development of new onset diabetes.
  - **High adherence users** = members who claimed for obesity management drugs consistently for at least 1 year.
  - **Low adherence users** = members who claimed for obesity management drugs for 6 weeks or less.

## Striking a balance – access to coverage and plan sustainability

While highly effective, GLP-1 drugs are expensive, costing \$5,000 or more annually per patient per year. And they are intended as a lifetime treatment. Research shows continuous use is required for sustained weight loss. This long-term approach is clearly reflected in clinical practice guidelines for the treatment of obesity.

This raises obvious concerns about the impact of obesity management drugs on private drug plan sustainability.

While obesity management drugs currently make up less than 2% of total drug spend by Canadian private drug plans, this percentage more than doubled from 2023 to 2024, corresponding with the availability of Wegovy®.<sup>6</sup>

For employer sponsored drug plans, we can't lose sight of the potential of these drugs to prevent or mitigate many of obesity's impacts to employee health. These include the development of other chronic conditions, impacts to mental health as well as disability-related costs.

At the same time, many plans will need a strategy for balancing access to coverage with longer-term plan sustainability.



# The Sun Life approach – a choice of drug management strategies

For Sun Life administered plans, obesity management drugs are an optional drug category that plan sponsors can choose to include in their coverage. This approach lets plan sponsors make the choice that is best for their organization from both a health and wellness and plan cost perspective.

Sponsors choosing to cover obesity management drugs have the choice between two strategies:



1. Managing the drugs through a prior authorization program



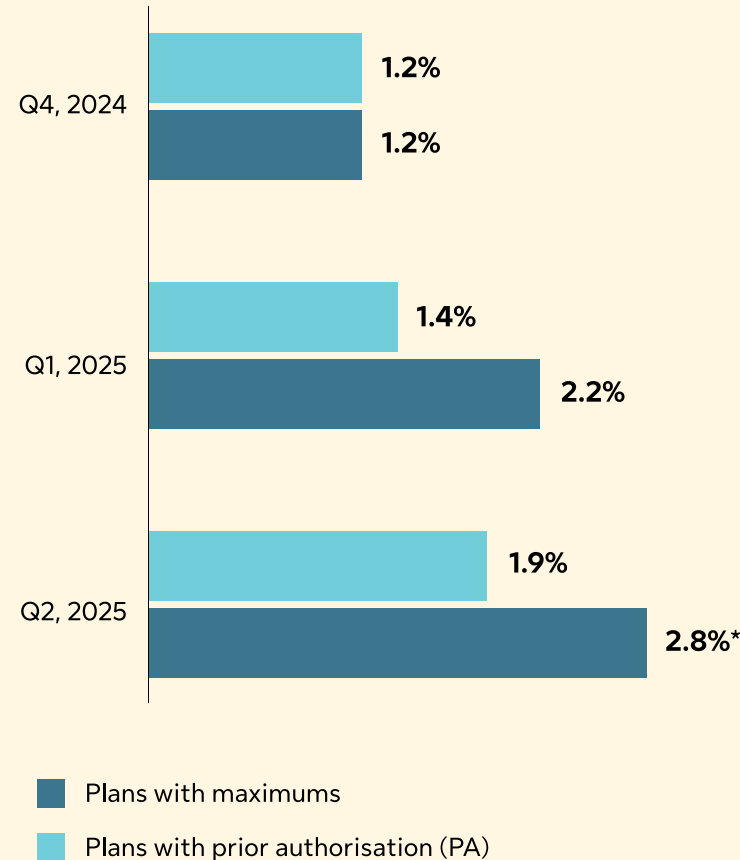
2. Implementing an annual maximum

Of these, we recommend the prior authorization approach. By requiring pre-approval based on evidence-based medical criteria, prior authorization helps ensure that obesity drugs are prescribed to those who are most likely to benefit from them. Prior authorization also allows for continuous coverage as long as the medical criteria are met, unlike dollar maximums which can lead to discontinuation when limits are reached. This continuity is essential for long-term adherence and effectiveness of obesity drugs.

Our data shows that the prior authorization program results in greater cost savings to plans than applying plan maximums (Figure 4).

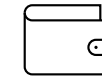
FIGURE 4

## Obesity management drugs share of Extended Health Care cost in Sun Life benefit plans



\*Estimated based on April, May 2025 actual claims

Source: Sun Life data, 2019-2025



## Our success in managing costs – Ozempic®

We saw the benefits of prior authorization with the GLP-1 drug Ozempic®, which remains the #1 ranked drug in Canada based on drug spend.<sup>7</sup>

Ozempic® is only approved in Canada for diabetes treatment but is often used “off label” for weight loss. For this reason, Ozempic® is part of our prior authorization program. Over a 12-month period, we helped our Clients avoid more than \$55 million in drug spend for Ozempic® based on this attempted off label use.

Source: Sun Life data (October 2022–September 2023)



# Rapidly evolving drug landscape

The obesity management drug market is rapidly evolving – and the pipeline is rich with innovative drugs that promise further advancements.

For example, the introduction of oral drugs may soon change the dynamics of the market (most obesity drugs are currently administered by injection). Oral drugs have the potential to increase adherence since many people prefer taking a pill over an injection. They also have the potential to lower costs as they don't often require refrigeration, reducing handling and transportation costs.

There are currently about 150 obesity drugs in trials. Not all will make it to market based on trial results. But new drugs will enter the Canadian market in waves as they receive approval from Health Canada.

Upon such approval, Sun Life's Drug Review Committee evaluates the new drug to make a listing recommendation.

This recommendation takes into consideration:

- The clinical evidence supporting how well the drug works and its safety
- The unmet need it addresses
- The net clinical benefit the drug offers relative to its cost
- Its net financial impact on the overall drug plan.

Possible listing recommendations are to include the drug as a general benefit, include it with utilization controls (such as prior authorization), or exclude the drug.

We're also closely monitoring the genericization of existing treatments. A key focus is on semaglutide, with Canada poised to be the first major market for generic versions when Novo Nordisk's® data protection expires in January 2026. Health Canada is already reviewing submissions from multiple manufacturers.

Generic Ozempic® (for type 2 diabetes) is expected to be available first, followed by generic Wegovy® (for obesity management). Sun Life is focused on staying ahead of these changes and adjusting its strategies accordingly.



## The use of GLP-1 drugs for treating other conditions

GLP-1 drugs are being studied for applications extending beyond diabetes and weight loss, including cardiovascular disease, sleep apnea, chronic kidney disease and many more. Wegovy® is already approved in Canada to reduce the risk of heart attacks in adults with established heart disease who are living with overweight or obesity. This broadening therapeutic scope has the potential for more positive health outcomes.



# Taking a holistic approach to managing obesity



While drugs can be an important tool for managing obesity, they are meant to be used alongside lifestyle modifications and other supports to achieve long-term health outcomes. The latest evidence-based clinical guidelines for managing obesity identify several core elements.<sup>8</sup>

1.

**Behavioural changes**, including nutrition counseling, dietary changes, and personalized exercise programs



4.

**Surgery for severe obesity**, with consideration of surgical options like gastric bypass or sleeve gastrectomy



2.

**Psychological therapy**, such as cognitive behavioural therapy (CBT), to address thought patterns behind unhealthy eating behaviours and develop coping mechanisms



5.

**Addressing social determinants of health**, such as access to affordable, healthy food and opportunities for physical activity



3.

**Drug therapy**, using obesity drugs in conjunction with lifestyle changes



Despite the known health implications of obesity and greater understanding of it as a complex chronic condition, obesity often remains untreated. Key reasons include:<sup>9</sup>



**Stigma.** Many avoid seeking help or don't receive empathetic care due to persistent bias and discrimination



**Fragmented health care.** The current system often lacks the multidisciplinary, coordinated approach needed for effective obesity management



**Affordability.** Cost can be a prohibitive barrier for supports not readily accessible or covered by the public health-care system.

As an employer, you can help by raising employee awareness of available supports for obesity management. These include public health supports (such as doctor consultations) and supports available through your group benefits plan.

# How Sun Life supports a more comprehensive approach to obesity management

We provide many solutions to help plan members living with obesity. These supports can be integral parts of a comprehensive approach to obesity management.

\* Pharmacy services are provided by Pillway.

\*\* SHG Pharmacy Inc. and SHG West Pharmacy Inc, doing business as Pillway pharmacies, are partially owned by Simpill Health Group Inc. For your information, and as a point of disclosure, Sun Life Assurance Company of Canada has partial ownership in Simpill Health Group Inc.

\*\*\* The pharmacist owner, Abd-El-Monem Osman, is solely responsible for the operation of the pharmacy and all services offered by the pharmacy.

\*\*\*\* Offered by Online Pharmacy\*, by Pillway. At this time, coaching for Quebec-based plan members is not available. We are currently exploring opportunities to provide coaching services in the province of Quebec. Sun Life reserves the right to discontinue the coaching programs at any time without notice.

\*\*\*\*\* Dialogue is a wholly owned subsidiary of Sun Life Assurance Company of Canada operating as a stand-alone entity. All representation about the services of Sun Life Virtual Care, by Dialogue, are those of Dialogue, Inc., and not Sun Life Assurance Company of Canada. Sun Life Assurance Company of Canada cannot guarantee the availability of the services and reserves the right to cancel the services with notice.



Our **Employee Assistance Program** provides nutrition counselling that can empower plan members to make informed eating choices.



**Coverage options for obesity drugs** can help employees lose weight and maintain that lower weight over the long term.



**Health Spending Accounts (HSA) and Personal Spending Accounts (PSA)** can provide coverage for weight management programs, meal supplements and other evidence-based supports.



**Online Pharmacy\***, by Pillway\*\*, gives employees convenient access to drugs plus no cost tools and pharmacist support for drug-related questions. Employees residing in the province of Quebec have access to an online platform with pharmacy services provided by Pharmacie Abd-El-Monem Osman, Inc.\*\*\*



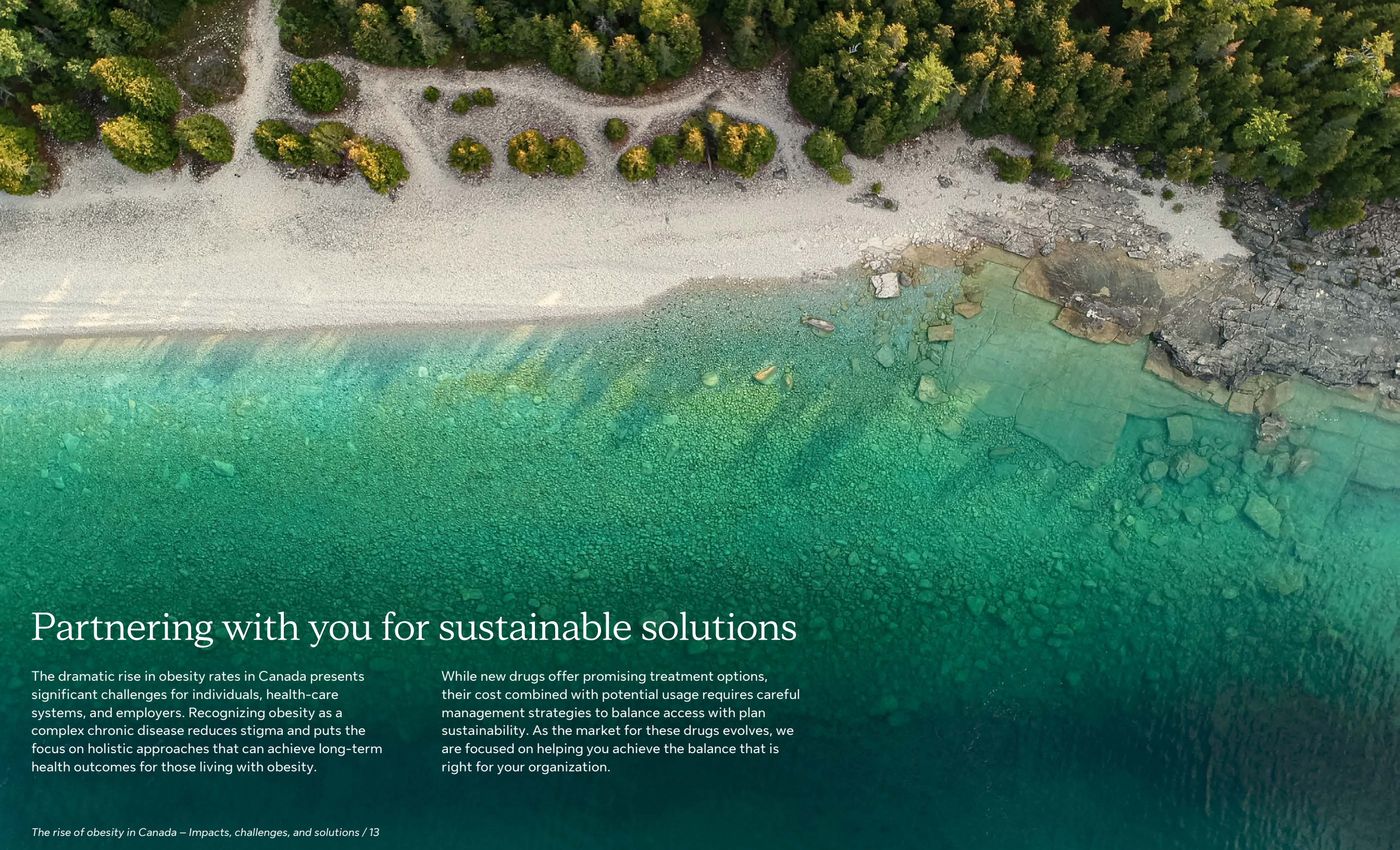
**Provider Search platform** lets Canadians search over 210,000 health providers to find the care that is right for them, including registered dietitians, mental health practitioners, physiotherapy and rehab providers.



**Diabetes and Respiratory Care Programs\*\*\*\*** provide no cost, personalized, comprehensive support by a pharmacist to help employees manage their chronic conditions (obesity is the leading risk factor for type 2 diabetes and respiratory conditions are frequent obesity comorbidities).



**Mental health supports** cover a broad range of needs, including the Stress Management and Well-Being program through Lumino Health Virtual Care, provided by Dialogue\*\*\*\*, and personalized navigation and support with the Mental Health Coach provided by Kii Health.



## Partnering with you for sustainable solutions

The dramatic rise in obesity rates in Canada presents significant challenges for individuals, health-care systems, and employers. Recognizing obesity as a complex chronic disease reduces stigma and puts the focus on holistic approaches that can achieve long-term health outcomes for those living with obesity.

While new drugs offer promising treatment options, their cost combined with potential usage requires careful management strategies to balance access with plan sustainability. As the market for these drugs evolves, we are focused on helping you achieve the balance that is right for your organization.

This report provides you with general information only. It does not provide you with employment, legal, health, or financial advice. Consult with the appropriate professional advisor to meet your organization's needs.

- 1 Government of Canada, Public Health Infobase. Obesity in Canadian adults: it's about more than just weight; Anderson LN, Islam R, Sweetman A. Trends in obesity defined by body mass index among adults before and during the COVID-19 pandemic: a repeated cross-sectional study of the 2009–2023 Canadian Community Health Surveys. *CMAJ*. 2025;197(25):E708-E718.
- 2 Chen F, Sapra T, Natale Z, et al. Modeling the cost of inaction in treating obesity in Canada. *BMC Public Health*. 2025;25(1):865. <https://doi.org/10.1186/s12889-025-21905-2>
- 3 Whatron S, Lau DCW, Vallis M, et al. Obesity in adults: a clinical practice guideline, *CMAJ*. 2020;192(31):E875-E891. <https://doi.org/10.1503/cmaj.191707>
- 4 Public Health Agency of Canada. Obesity in Canada – Determinants and contributing factors; Goodarzi MO. Genetics of obesity: what genetic association studies have taught us about the biology of obesity and its complications, *Lancet Diab Endocrinol*. 2018;6(3):223-236.
- 5 BBC, Weight-loss drugs may boost health in many ways, 20 January 2025, <https://www.bbc.com/news/articles/c9d5pq4y5wpo>
- 6 IQVIA Claims Data Roundtable, 2024; IQVIA File, April 2025.
- 7 ESC industry data, 2024.
- 8 Obesity Canada. *Canadian adult obesity clinical practice guidelines*, 2025.
- 9 Obesity Canada. The high cost of inaction. Top-line findings. [https://obesitycanada.ca/wp-content/uploads/2025/02/COI-Top-Line-Findings\\_EN.pdf](https://obesitycanada.ca/wp-content/uploads/2025/02/COI-Top-Line-Findings_EN.pdf)



Life's brighter under the sun

Group Benefits are provided by Sun Life Assurance Company of Canada, a member of the Sun Life group of companies. TL1243 11-25 np-cd

