TREAT OR REFER

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June 8, 2026

The Honorable Katie Hobbs
Governor of Arizona
1700 W. Washington St., Phoenix, AZ 85007

The Honorable David Gowan
Arizona State Senate
1700 W. Washington St., Phoenix, AZ 85007

Dear Governor Hobbs and Senator Gowan,

Thank you both for the serious attention you have given to obesity care during this budget cycle. As a physician treating Arizonans with obesity every day — and as President of the Arizona Obesity Organization — I am writing to share the enclosed two-page brief, *The Cost of Coverage vs. the Cost of Inaction*, prepared to support your deliberations on Medicaid coverage of obesity medications.

We recognize the position H.R. 1 has put the state in. Arizona stands to lose roughly $34 billion in federal Medicaid funding over the coming decade, and every optional benefit is rightly under scrutiny. The brief takes that reality as its starting point — not as an argument against coverage, but as the reason to look closely at where each dollar goes.

What the data show is encouraging. The first year of expanded coverage is projected at approximately $7.7 million — roughly offset by the estimated ~$8 million in annual savings that newly negotiated federal pricing delivers on AHCCCS's existing GLP-1 spending for diabetes. Meanwhile, AHCCCS spends $2.45 billion every year treating the cardiometabolic disease that untreated obesity feeds: each member who progresses from obesity to diabetes nearly triples in annual cost of care, from $8,800 to $24,500. Treating obesity now — with prior authorization and the fiscal guardrails outlined in the brief — is how the state bends that curve.

This is fundamentally a prevention story, and I know prevention is a priority for this administration. Treating obesity works in two directions at once: it improves health immediately for members already living with complications, and — much like vaccination or cancer screening — it heads off the far more expensive complications still to come. That dual benefit is what makes the long-term savings follow not from optimism, but from arithmetic the state's own claims data already demonstrate.

I would welcome the chance to walk through the numbers with you or your staff, and to answer any question the brief raises — including the honest ones about utilization assumptions and near-term budget commitment. Arizona has an opportunity few states have had: falling drug prices, an open federal pricing window, and the evidence in hand before deciding. I hope you will take ten minutes with the enclosed pages.

With respect and appreciation for your service,

Douglas Maready, MD
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Enclosure: Legislative Brief — The Cost of Coverage vs. the Cost of Inaction (June 2026)