

STATE OF WISCONSIN Department of Employee Trust Funds

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Correspondence Memorandum

Date: October 9, 2019

To: Group Insurance Board

From: Eileen Mallow, Director

Office of Strategic Health Policy

Subject: Update on Pharmacy Cost Study Groups

This memo is for informational purposes only. No Board action is required.

Background

The Department of Employee Trust Funds (ETF) previously shared with the Group Insurance Board (Board) staff participation in several committees examining options to manage pharmacy costs. This memo is intended to update the Board on the work of the committees to date.

Pharmacy Cost Study Work Group

The workgroup includes staff from ETF, the Office of the Commissioner of Insurance, Department of Corrections and Department of Health Services. The work group supports the work of the Pharmacy Study Committee by researching policy issues and collecting data from the participating state agencies. The committee continues to discuss options for pooled purchasing and other approaches to better manage pharmacy costs across state government.

Pharmacy Study Committee

J. M. Væll

With the acceptance of a technical assistance grant from the National Governors Association (NGA) came the requirement for an oversight committee that included representation from multiple state agencies. The committee heard presentations on 340B pricing, Pharmacy Benefit Management overview and possible pooled purchasing options. NGA continues to assist with data collection and analysis. The October 31 meeting agenda includes a follow-up discussion on leveraging 340B pricing and next steps on analytics results. The committee's work is funded until June 2020.

Reviewed and approved by John Voelker, Deputy Secretary

Electronically Signed 10/24/19

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Governor's Task Force on Pharmacy Costs

Brian Stamm, Office of Strategic Health Policy Deputy Director, has been appointed ETF representative to this group. The first task force meeting is scheduled for November 20.

Staff will be available at the meeting to answer questions.