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Correspondence Memorandum

Date: July 21, 2021
To: Group Insurance Board
From: Renee Walk, Lead Policy Advisor
Office of Strategic Health Policy
Subject: August COVID-19 Update

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

Background

Rates of COVID-19 infection in Wisconsin residents have improved significantly in recent months as the numbers of vaccinated people increase. This memo provides an update on legislative changes since May 2021, a summary of the current state of the Group Insurance Board's (Board's) programs as they have been impacted by COVID-19, and future considerations for the Board's programs as the state moves to the next phase of managing the virus.

Legislative & Regulatory Changes

Legislative and regulatory activity at both the state and federal levels has slowed substantially since this time last year. The main regulatory activity of note that the Department of Employee Trust Funds (ETF) raises for the Board today is a letter issued by both Wisconsin and federal authorities intended to clarify and reiterate that individuals seeking vaccines cannot be charged by providers for the vaccine¹. This requirement is already contained in the agreement that providers sign in order to receive doses of the COVID-19 vaccine through the Centers for Disease Control and Prevention (CDC) COVID-19 Vaccine Program. The letter restates that, while providers may seek "appropriate reimbursement" from a public or private payor, they may not seek any reimbursement directly from a vaccine recipient.

In addition, the federal Department of Health and Human Services (HHS) has extended the public health emergency into October 2021.

¹ Wisconsin Department of Health Services. *Federal and State Officials Advise COVID-19 Vaccine Providers in Wisconsin that Individuals Seeking Vaccinations Cannot Be Charged*. June 1, 2021. Accessed July 21, 2021. <https://www.dhs.wisconsin.gov/news/releases/060121a.htm>

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy

Electronically Signed 08.09.21

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Vaccines

As of the drafting of this memo, just over half of all Wisconsin residents have been vaccinated for COVID-19. Rates vary by county; in Dane County, where the majority of the Board's membership lives, 78.5% of adults (67% of all residents) have completed the vaccine series. Milwaukee County, home to the second-largest group of the Board's members, has vaccinated 57.6% of all adults (46.2% of all residents). There continue to be racial and ethnic disparities in the rates of vaccination. Non-Hispanic White Wisconsinites are 81.8% of the state's population and have received 79.7% of all COVID-19 vaccines. Non-Hispanic Black Wisconsinites are 7% of the population but have only received 3.7% of all COVID-19 vaccines, and Hispanic or Latino Wisconsinites are 7.1% of the population and have received just 5% of all COVID-19 vaccines². Public health officials have noted increases in the numbers of reported cases in July, and some have warned of a fourth wave that will increasingly impact primarily the unvaccinated. Given that vaccine supply now outstrips demand, the flagging rate of new vaccinations is likely due to individual hesitancy.

To examine why people may or may not want to be vaccinated, the Kaiser Family Foundation (KFF) conducted two rounds of interviews with a representative sample of Americans regarding their intent to get vaccinated in January of 2021, and what their vaccine choices were as of June 2021. By and large, people's vaccine status matched their intent to get vaccinated stated in January—92% of people who said they wanted to be vaccinated as soon as possible in January had been vaccinated by June, and 67% of people who said they would definitely not get vaccinated or would only get vaccinated if required maintained that position in June.

However, one in five people who expressed hesitancy in January had received at least one dose by June. When asked what influenced their decision to get vaccinated, one quarter of those respondents said that seeing others, especially friends and family, get vaccinated helped persuade them to get vaccinated. Specifically, hearing from friends or family about their personal experience with getting vaccinated and with side effects (or lack thereof) helped many to become more comfortable³. Individual outreach to those in one's personal circle, supported by institutional policies that make getting vaccinated easy, appears to be most effective in convincing the hesitant to get vaccinated sooner.

Some hesitancy around vaccines has stemmed from the vaccines not having gone through the Food and Drug Administration (FDA) traditional approval process. Two

² Wisconsin Department of Health Services. *Health impact of COVID-19 by race and ethnicity*. Accessed July 21, 2021. <https://www.dhs.wisconsin.gov/covid-19/disparities.htm>

³ Kaiser Family Foundation. *KFF Vaccine Monitor: In Their Own Words, Six Months Later*. July 13, 2021. Accessed July 21, 2021. https://www.kff.org/coronavirus-covid-19/poll-finding/kff-covid-19-vaccine-monitor-in-their-own-words-six-months-later/?utm_campaign=KFF-2021-polling-surveys&utm_medium=email&_hsmi=139893712&_hsenc=p2ANqtz-8M5mkQbM79NPZ6FhES5bGpM86NmFrKNKWcfblfm_ETjlZ5YcrHyGwO-eFhroWXPVT9Y-lk6QYkROA0zJHGfWCNvTZEgg&utm_content=139893712&utm_source=hs_email

manufacturers—Pfizer and Moderna—have both applied for full approval as of June⁴. FDA has not given any timeline for when approval could be expected.

For those who have been vaccinated, there has been increasing talk amongst health professionals, regulators, and vaccine manufacturers about the possibility of booster shots being needed. Boosters may be expected as early as September for some; Pfizer and Moderna estimate need in 8- to 12-month intervals⁵. The CDC Advisory Committee on Immunization Practices (ACIP) met in mid-July to begin discussing the need for booster shots.

Triple Aim Impacts to the Board's Programs

Health

As reported to the Board at the May 2021 meeting, ETF has been monitoring the changes in health service use attributable to the pandemic. The DAISI data warehouse now reports a full calendar year comparison of risk scores between 2019 and 2020 (risk scores are calculated in the IBM Watson Health tool annually). The number of members categorized in the “Healthy” range appears to have increased by 12%, and “Stable” members increased 1% during that time period. All other— higher risk groups — decreased. This number may be misleading, however. They are likely an artifact of the reduced service use seen across the board in 2020. ETF will continue to watch these numbers for change in the coming year.

There are signs that the pandemic's impact on member mortality is decreasing. July 2021 marked the first month since the start of the pandemic in which there were multiple weeks in a row with no deaths attributed to COVID-19 reported to the Board's life insurance vendor.

Quality

In addition to monitoring changes in health outcomes measurable through the DAISI data warehouse, ETF continues to watch changes that relate to the quality measures used to grade health plans. At the May Board meeting, ETF reported that asthma service rates in particular remained below pre-pandemic levels, and they remain lower as of June 2021. ETF has surveyed plans to get a sense of what their asthma outreach plans are. Of the respondents, many indicated that they continue to employ their usual asthma outreach strategies for members post-hospitalization but are monitoring data to identify opportunities to bring people back into care. ETF is also working with the

⁴ Morello, L. *Moderna seeks full FDA approval of its Covid-19 vaccine*. Politico. June 1, 2021. https://www.politico.com/news/2021/06/01/moderna-seeks-full-fda-approval-of-its-covid-19-vaccine-491481?utm_campaign=KHN%3A%20First%20Edition&utm_medium=email&_hsmi=131103388&_hsenc=p2ANqtz--oBpB8UvDgeDU2koXiRgfsOnFZ3iVBGQB3yzi3oONqwGiYs9l2wYT317_e4gx7XfSTxoZ5NhgtP8b5eTXT0Ee0ZTE5IA&utm_content=131103388&utm_source=hs_email

⁵ Owens, C. *Vaccine boosters could be necessary as soon as September*. Axios Vitals. May 20, 2021. https://www.axios.com/coronavirus-vaccines-boosters-pfizer-moderna-e8d6bed6-8238-4e52-9959-ca4c6a6e0d5a.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosam&stream=top

Board’s wellness and disease management vendor, WebMD, and the Board’s pharmacy benefit manager, Navitus, to identify other opportunities to increase engagement with asthma care services.

Members have begun to return to care in greater numbers during the months of April, May, and June. Rates of preventive colonoscopy screenings, mammograms, and immunizations have all increased significantly above 2020 levels.

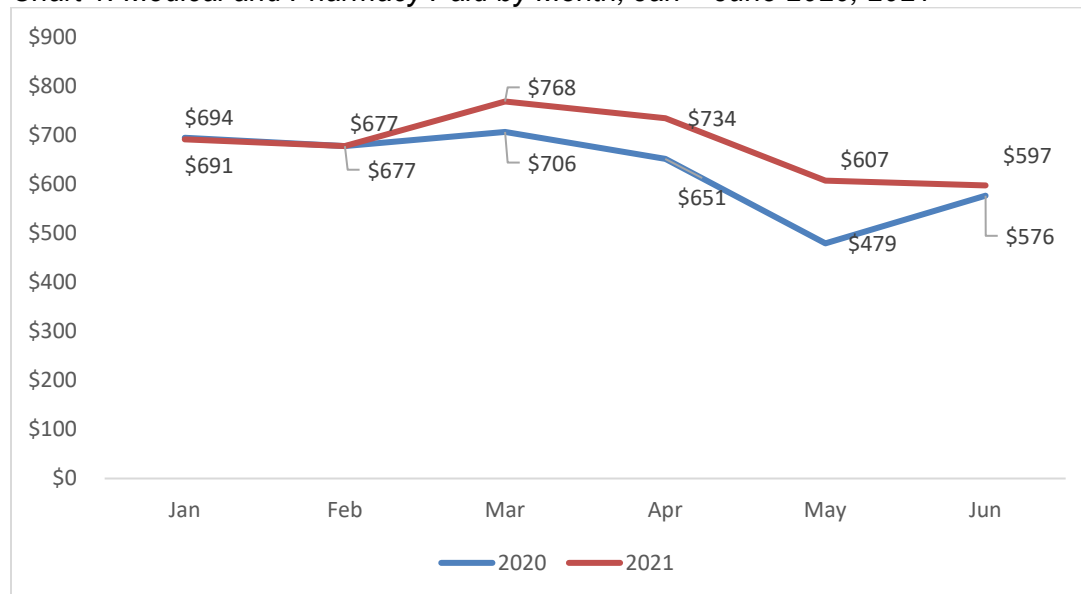
The rates of telehealth use have begun to shrink in recent months as more in-person service become available. In May, roughly 534 patients per 1,000 had a telemedicine service; that rate dropped to 132 patients per 1,000 in June. This is still above pre-pandemic telehealth use rates.

Cost

According to the data available in DAISI, there were approximately 8,800 patients with a confirmed COVID-19 diagnosis in the Board’s population. It is important to note that these are cases for which a diagnosis was recorded on a medical claim, meaning this figure does not include people who did not require hospitalization or other treatment. The total costs associated with these patients is just under \$39M, and most of that cost is attributable to inpatient hospital stays.

The plan paid amounts for medical and dental services have begun to rise over the prior year as members return to care. Rates of outpatient service use have risen slightly above the prior year, while inpatient service use remains at similar levels. Overall, the medical and pharmacy plan paid saw its greatest increase in March through May, and has begun to slow.

Chart 1. Medical and Pharmacy Paid by Month, Jan – June 2020, 2021



Considerations for the Future

While there has been a substantial reduction in the number of cases and deaths since 2020, new concerns related to COVID variants are increasing. The Delta variant is much more contagious than the strains most dominant in 2020, and the majority of new cases reported are now that variant⁶. It appears that the current vaccines are protective against this variant for the time being, but the longer the virus circulates in an unvaccinated population, the more opportunity there is for it to further mutate in ways that may limit the effectiveness of the vaccines.

In prior memos, ETF has also discussed the long-term impacts of COVID such as long COVID syndrome. In addition to these concerns, significant increases in drug overdose deaths have been widely reported, both nationally and in Wisconsin. Nationally, just over 93,000 people died from drug overdoses in 2020, the largest single-year increase on record⁷. While this is a trend that had been on the rise since before the pandemic took hold, lockdowns and job losses caused by the pandemic were likely contributors to the exponential increase in death. ETF plans to bring strategies to the Board in November to support members in mental health and substance use disorder crises.

Staff will be available at the Board meeting to answer questions.

⁶ Mandavilli, A., and Mueller, B. *Delta Variant Widens Gulf Between 'Two Americas': Vaccinated and Unvaccinated*. New York Times. July 14, 2021. https://www.nytimes.com/2021/07/14/health/delta-variant-uk-usa.html?campaign_id=29&emc=edit_up_20210715&instance_id=35400&nl=the-upshot®i_id=66147893&segment_id=63543&te=1&user_id=6e7073dd584e2e533cf3424d2d4c4381

⁷ Katz, J., Sanger-Katz, M. *'It's Huge, It's Historic, It's Uneard-of': Drug Overdose Deaths Spike*. New York Times. July 14, 2021. https://www.nytimes.com/interactive/2021/07/14/upshot/drug-overdose-deaths.html?campaign_id=29&emc=edit_up_20210715&instance_id=35400&nl=the-upshot®i_id=66147893&segment_id=63543&te=1&user_id=6e7073dd584e2e533cf3424d2d4c4381