

November 14, 2022

Attn: Members of the Group Insurance Board

Novo Nordisk, a global healthcare company, has been committed to discovering and developing innovative medicines to help people with serious chronic conditions lead longer, healthier lives with fewer limitations. We're working toward a future where fewer people get chronic diseases, everyone is diagnosed, and all patients receive adequate treatment.

In response to the information that was presented during the June 30, 2022 meeting of the Wisconsin Group Insurance Board regarding state employee coverage for anti-obesity medications, we would like to provide the following comments in advance of the November 16, 2022 GIB meeting.

At that time, the decision was made to table further discussion on adding AOM coverage until the November meeting. We support the further discussion of comprehensive obesity treatment for state of Wisconsin employees. We welcome the opportunity to further the dialogue with WETF staff and provide additional information as requested.

Listed below are specific examples of comments made by staff during the subject meeting accompanied by a response to the information that was presented:

WI State Employee utilization of AOM's (projected)

- Segal estimated that 20% of Group Health Insurance Program (GHIP) members are overweight or obese and that 3% of those members would take an AOM (~1,300 members)
- Segal believes this .06% utilization rate is low based on current trends
- Segal estimates the actual rate to be closer to 2% and increasing

Response

- It appears that Segal's analysis includes only active state employees. Based on this estimation, the number of WETF adult beneficiaries living with obesity is likely greater than 65,000 members.¹
- The estimated direct health care spend for all WETF adult beneficiaries is greater than \$1 billion, of which 26.7% is due to excess weight (\$214 Million).²

Budget impact and financial review

- Originally, Segal calculated that adding branded anti-obesity medications would cost between \$20 million-\$30 million.
- After the May 18, 2022, Board meeting, Navitus informed Segal of its negotiated rates for all drugs in the class. This new price information lowers Segal's estimated cost for adding weight-loss drugs to the formulary to be in the range of \$12 million-\$17 million

Response

¹ Novo Nordisk internal analysis using the Impact of Excess Weight Tool

² *ibid*

- AOM treatment options include generic, branded oral, and branded injectable agents and all should be an option for coverage.
- It is appropriate to implement prior authorization measures to ensure patients meet the prescribing information criteria of BMI ≥ 30 or BMI ≥ 27 with comorbidities.
- Based on an analysis of the Wisconsin state employee total population and current market data, approximately 2.5% of members (1622 people) would be treated at a projected annual cost of \$3.9 Million; this would offset current spending of \$121 Million of direct and indirect costs related to obesity. Additional analysis demonstrated a projected PMPM of \$1.70.³

Other state comparisons

- WETF asked for feedback from SALGBA regarding other state's experience with coverage of AOMs. They mentioned that two states responded the actual cost was \$2.50-\$4.50 PMPM – after rebate.

Response

- Based upon the current utilization rate and anticipated rebates, the projected PMPM is \$1.70.⁴

Unsupported Comment by Segal

- As it relates to anti-obesity medications, a comment was made by Segal that “None of these drugs work without diet and exercise”.

Response

- Diet and exercise is the recommended foundation of all weight loss strategies. All published clinical trials of anti-obesity medications were designed to test pharmacotherapy as *an addition* to a program of diet and exercise. Thus, the above statement cannot be supported as no clinical data with anti-obesity medications exists outside of the context of baseline diet and exercise.

Additional considerations presented by WETF

- Long-term effects and costs - Studies do not account for additional costs of long-term utilization
- No published studies on health of people who take anti-obesity medications for an extended time
- Black box warnings, safety risks, precautions, and adverse events
 - Thyroid tumors, renal impairment, suicidal behavior, mood and sleep disorder, acute kidney injury, constipation, and dizziness
 - Consider the additional cost of treating side-effects (GIB and members)
- All AOMs have a PA with Navitus and include a healthy diet and exercise
 - Recommendation of a healthy diet could be extra cost to member and the GIB
 - GIB does not reimburse for gym memberships (extra cost to member)

Response

³ Novo Nordisk internal analysis using the Impact of Excess Weight Tool.

⁴ *ibid*

- Obesity is a costly public health crisis. Recent data from the Centers for Disease Control and Prevention (CDC) lists self-reported adult obesity prevalence in Wisconsin of 33.9%, with higher prevalence in both adult Hispanic (35.8%) and adult Black (51.8%) populations.⁵
- Data exists for cost offset at year 1, 2, 3 including both cardiovascular disease and osteoarthritis (knee).⁶
- Outcomes must include both direct and indirect costs.
- All FDA approved medications, including AOMs, have been reviewed by the FDA and have been determined to be safe and effective for the approved indications.
- Weight loss programs including dietary and nutritional treatment are currently available for the purposes of meeting authorization requirements to undergo bariatric surgery, as determined by the health plan.

We believe it is important that WETF understands that obesity is a chronic disease and not a personal choice or lack of will power and therefore, must be treated like other chronic diseases.

Further, input from all stakeholders, including those impacted by overweight and obesity, is needed to make well informed decisions regarding comprehensive obesity treatment for State of Wisconsin employees and their dependents.

We welcome the opportunity to further the dialogue with WETF staff and provide additional information as requested. Please contact Dave Moody, Regional Lead, State Government Affairs, at DVMD@novonordisk.com if we can be of further assistance.

Sincerely,



Jennifer Duck
Vice President, Public Affairs
Novo Nordisk, inc.

⁵ <https://www.cdc.gov/obesity/data/prevalence-maps.html>

⁶ Novo Nordisk internal analysis using the Impact of Excess Weight Tool.