

**From:** [Kelly Richie](#)  
**To:** [ETF SMB Board Feedback](#); [Doss-Anderson, Liz - ETF](#)  
**Subject:** Coverage for anti-obesity medications  
**Date:** Wednesday, November 2, 2022 8:25:49 PM

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Hello,

My name is Kelly, I am a member of WI Employee Trust Fund, and I am writing to you to encourage you to cover anti-obesity medications with prior authorization starting in the year of 2023.

Healthcare costs are soaring, and I understand the need to keep costs low. Up front the costs may seem concerning, however assisting ETF members with obesity to maintain a lower weight will end in significant cost savings in the long term. Obesity causes a significant financial strain on the country and state of Wisconsin. It is estimated that obesity results in almost 200 billion dollars in excess healthcare spending. In Wisconsin, it is estimated to be an additional 2-3 billion dollars. There are also many long-term sequelae because of obesity. This include, but are certainly not limited to:

- Hypertension (can lead to heart attack, stroke, chronic renal failure)
- Diabetes (can lead to chronic renal failure)
- High cholesterol (can lead to coronary artery disease)
- Coronary artery disease
- Stroke
- Gall bladder disease
- Sleep apnea
- Osteoarthritis (can lead to costly treatments such as injections, joint replacements, or back surgery)
- Depression and anxiety
- Cancer (obesity is associated with an increased risk of the following types of cancer: endometrial, esophageal, stomach, liver, kidney, pancreatic, multiple myeloma, meningioma, colorectal, gall bladder, breast, ovarian, and thyroid)
- Lost productivity and wages due to chronic illness

Most, if not all these sequelae of obesity are chronic in nature and will require lifelong treatment, which can be very costly to members. As the saying goes, “an ounce of prevention is worth a pound of cure.” It is in the best interest of ETF members and payers to provide coverage for anti-obesity medications to reduce costs of chronic disease management. Failing to provide coverage for anti-obesity medications due to the up-front cost (which can be

negotiated with the pharmaceutical companies) is myopic in viewpoint, and fails to take into consideration the long-term costs of obesity.

Thank you,

Kelly Richie





STATE OF WISCONSIN  
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November 4, 2022

Kelly Richie  
[REDACTED]

Dear Ms. Richie:

Thank you for your email to the Department of Employee Trust Funds (ETF). In your email, you expressed support for anti-obesity medication coverage with prior authorization in 2023.

The Group Insurance Board (Board) considers changes and additional coverage for the upcoming benefit year during the May meeting each year. At the May 18, 2022, Board meeting, the Board considered adding weight-loss drug coverage to the pharmacy formulary starting on January 1, 2023. After listening to the presentation and reviewing the accompanying memo, ["2023 Health and Pharmacy Benefit Changes,"](#) the Board requested a special meeting be scheduled to consider adding weight-loss drug medications for 2023 after a more in-depth analysis from Segal Consulting, the Board's consulting actuaries, was provided.

During the June 30, 2022, special Board meeting ETF prepared a memo and gave a presentation on the possibility of adding weight-loss drugs to the pharmacy formulary for 2023, ["Weight-Loss Drug Coverage Options Review."](#) The Board decided to not add weight-loss drugs to the 2023 non-Medicare Formulary and to instructed ETF to present a holistic view of weight-loss programming at the upcoming November meeting.

At the November 16, 2022, Board meeting, ETF staff will be presenting a weight management analysis to the Board. The accompanying memo, ["Weight Management Analysis,"](#) includes: an examination of the Group Health Insurance Program's (GHIP's) medical, pharmacy, and wellness benefits; other states' employee health insurance benefits approach to weight management; legal limitations; and the next steps for the Board to consider. The Board will take no action at the November meeting but possible next steps regarding weight management will be discussed. The November 16, 2022, meeting agenda on the ["Group Insurance Board Meeting Agendas and Materials"](#) page, contains information about how to attend the meeting either in person or virtually.

You wrote in your email that the cost of anti-obesity medications can be negotiated with pharmaceutical companies. While negotiating with pharmaceutical companies can help drive down the cost of some drugs, this has not been the case with weight-loss drugs. The weight-loss drugs that have proven to be the most effective, semaglutide (also

Kelly Richie  
November 4, 2022  
Page 2

known as Wegovy) and liraglutide (also known as Saxenda), have annual net prices of \$13,618 and \$11,760, respectively. The [Institute for Clinical and Economic Review \(ICER\)](#), after studying weight-loss drug medications and their pricing, found semaglutide should be priced between \$7,500–\$9,800 and liraglutide between \$3,800–\$4,800.

The Board is limited from making any changes to the GHIP that would modify or expand benefits by [Wis. Stats. § 40.03\(6\)\(c\)](#). However, there is an exception to the statute if the Board approves a change to the GHIP that would either maintain or reduce premium costs. ETF staff are eager to learn if the long-term studies currently being conducted on weight-loss drugs will show that long-term usage of the drug causes no health issues to users. If the studies show health benefits, then the cost savings of weight-loss drugs may outweigh the high cost of the drugs.

Again, thank you for your email. If you have any other further questions, comments, or concerns, please do not hesitate to contact me using the contact information below.

Sincerely,

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