DRAFT

MINUTES

November 16, 2022

Group Insurance Board

State of Wisconsin

Location:

Hill Farms State Office Building – CR N108
4822 Madison Yards Way, Madison, WI 53705
8:30 a.m. – 12:06 p.m.

BOARD MEMBERS PRESENT:

Herschel Day, Chair
Nathan Houdek, Vice-Chair
Nancy Thompson, Secretary
Dan Fields
Jen Flogel
Erin Hillson
Walter Jackson*
Katy Lounsbury
Brian Pahnke
Nathan Ugoretz
Bob Wimmer

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Office of the Secretary:
John Voelker, Secretary
Shirley Eckes, Deputy Secretary
Kimberly Schnurr, Board Liaison
Tarna Hunter*

Benefit Services Bureau:
Jim Guidry

Division of Retirement Services:
Matt Stohr

Division of Trust Finance:
Cindy Klimke

Office of Strategic Health Policy (OSHP):
Eileen Mallow, Brian Stamm, Renee Walk, Molly Dunks, Tom Rasmussen, Tricia Sieg, Douglas Wendt

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OTHERS PRESENT:

Office of the Secretary:
Pam Henning

ETF Staff:
Shellee Bauknecht*, Laura Brauer, Beth Bucaida, Bonnie Cyganek, Liz Doss-Anderson, Taylor DeBroux, Victor Dupuy, Oladipo Fadiran, Diana Felsmann, Dan Hayes*, Michelle Hoehne*, Patrick Hughes*, Bruce Johnson*,

ETF Staff (Cont.):
Nancy Ketterhagen*, Joanne Klaas*, Mark Lamkins*, Arlene Larson, Peter Rank, Mary Richardson, Jessica Rossner*, Marie Ruetten, Sarat Tadi*, Laura Vang, Xiong Vang, Mee Wartgow, Korbey White, Wade Whitmus, Cheryllynn Wilkins, Kathryn Young

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* Attended via teleconference.

Board	Mtg Date	Item #
GIB	02.22.23	2A

Aspirus Health Plan:
Megan Umnus*
Dean Health Plan:
Penny Bound*
Delta Dental:
Megan Wohlfeil*
Department of Administration (DOA):
Dana Gehrmann*, Meghan McKenna*, Julie Perry*, Derek Sherwin, Tina Updike*
Duffy Communication Strategies:
Melissa Duffy*
Elevance Health:
Julie Walsh*
Group Health:
Sarah North*
HealthChoice Insurance Solutions:
Bob Pearson*, Juliett Thill*
Health Partners:
Katherine Siqueiros*
MA Healthcare:
Karen Brunton*
MercyCare Health:
Sherrie Sargent*, John Trochlell*
Milliman:
Paul Correia
Navitus:
Steve Alexander, Brent Eberle, Karen Markstahler*, Ryan Olson*
Network Health Plan:
Vanessa Cagal*, Al Wearing
Novo Nordisk:
Paul Dempsey*, Dave Moody*, Pat Schmitt
Obesity Action Coalition:
Chris Gallagher*
Office of the Commissioner of Insurance:
Rachel Cissne Carabell*
PillarRx:
Julie Weissmann*
Quartz:
Brittany Coyne*, Linsey Tennyson*
Securian:
Kjirsten Elsner*
Security Health Plan:
Julie Koplitz*
Segal Consulting:
Amber Turner*
UnitedHealthcare:
De Arcy Raybuck*
UW Health:
Lara C. Wolfe*
UW-Stout:
Jo Johnson*
UW System Administration:
Brianne Jobke*, David Miller*, Erin Schoonmaker*, Amanda Sonnenburg*
WebMD:
Renee Fox, Kristi Mulcahey, Emily Rathjen
WI Assoc. of Health Plans:
Tim Lundquist*
Public:
Joan Fisher*, Betsy Fulmer*, John Lawton*, Thomasin Propson*, Stephanie Steel*, WisconsinEye*
Others (Unidentified):
4 individuals connected via telephone

Mr. Day, Chair, called the meeting of the Group Insurance Board (Board) to order at 8:30 a.m.

Ms. Lounsbury entered the meeting at 8:40 a.m.

ANNOUNCEMENTS

Ms. Mallow provided the following updates:

- Introduced the newest Board member, Erin Hillson, as Harper Donahue's superseder.

- Welcomed WisconsinEye and shared that the meeting would be streamed live from their website.
- Jessica Rossner has been promoted to the Data and Compliance Unit Director in OSHP.
- The Communications Specialist vacancy within OSHP has been filled by Mee Wartgow.
- The Wellness Request for Proposal (RFP) is underway.

CONSIDERATION OF OPEN AND CLOSED SESSION MINUTES OF AUGUST 17, 2022, MEETING

MOTION: Ms. Thompson moved to approve the open and closed session minutes of the August 17, 2022, meeting as submitted by the Board liaison. Mr. Fields seconded the motion, which passed unanimously on a voice vote.

SUPPLEMENTAL PLANS GUIDELINES CHANGES

Mr. Rasmussen and Mr. Wendt referred the Board to the Supplemental Plans Guidelines Changes memo (Ref. GIB | 11.16.22 | 3), which detailed the proposed modifications to the *Supplemental Plan Guidelines* (ET-7422) for the contract effective for the 2024 plan year. Key changes highlighted in their presentation included:

- Accept proposals for Supplemental Dental for a three-year contract period
- Require insurers to submit bid with a two-year premium guarantee and third year premium cap
- Include language on the requirements to submit claims information to ETF's Group Health Insurance Program data warehouse, referred to as DAISI.
- Enhance language outlining requirements to submit and receive data to ETF and Benefitfocus, ETF's new insurance administration system (IAS) currently being implemented.
- Add and/or amend Attachments B, E, F, and H.

MOTION: Mr. Pahnke moved to approve modifications to the Supplemental Insurance Plan Guidelines (ET-7422) for contract effective for the 2024 plan year. Mr. Wimmer seconded the motion, which passed unanimously on a voice vote.

2023–2025 BIENNIAL BUDGET UPDATE

Ms. Hunter updated the Board on ETF's request for the 2023–2025 biennial budget submission to DOA. She shared an anticipated schedule for review and action by the governor and legislature and referred the Board to the 2023–2025 Biennial Budget Update memo (Ref. GIB | 11.16.22 | 4) where they could find a summary of the 2023-2025 biennial budget request as of October 27, 2022, as well as a detailed breakdown of ETF's funding request for the 2023–2025 biennium.

Ms. Hunter reported that the 2023–2025 biennial budget request would ask for 16.0 Full-Time Equivalent (FTE) positions with 7.0 FTE allocated to the Legacy Systems Replacement Project, 7.0 FTE to maintain critical customer service functions to accommodate a growing ETF member and retiree population, and 2.0 FTE for financial and actuarial compliance reporting to manage actuarial responsibilities and maintain the additional financial internal controls ETF employed over the past five years. Part of the biennial budget request also included statutory changes, which were concentrated in the following areas:

- ETF's disability redesign project
- The creation of an independent Office of Internal Audit (OIA) at ETF
- Aligning the statutory language with current administrative practices for the trust fund earnings allocation.

Mr. Voelker added that this biennial budget request was higher than requests submitted to the governor and legislature by the agency historically. The members, employers, and retirees that ETF serves continues to increase. ETF needs the resources to meet this demand and to quickly respond to events outside of their control, such as the exit of WEA Trust from the GHIP and the successful execution of Open Enrollment had demonstrated. Replacing legacy systems with new ones, such as IAS implementation, is critical for the agency to sustain high quality services for an expanding pool of customers. Mr. Voelker and ETF staff will continue to keep the Board updated on the progress and outcomes of the 2023–2025 biennial budget request. One Board member inquired whether they could formerly endorse ETF's budget proposal. Mr. Voelker expressed his appreciation for this but said that no further action from the Board was necessary.

INCOME CONTINUATION INSURANCE (ICI) PROGRAM CHANGES

Mr. Stohr, Mr. Guidry, and Mr. Correia began their presentation with a recap of the materials and discussion that took place during the August 17, 2022, Board meeting (Ref. GIB | 08.17.22 | 11). During that discussion, the Board expressed concern about the specific impacts the recommended changes would have on employers and employees that would experience coverage and premium changes because of the update. The additional material provided to the Board in the ICI Program Changes memo (Ref. GIB | 11.16.22 | 5) and in their presentation would include current supplemental coverage enrollment and premium impact details, changes in employer costs by agency, and sample premium rate tables.

Mr. Stohr stated that, while the Board could choose not to move forward with any action on the ICI program changes, it would decrease the benefit value of the program to eligible employees. Specifically, keeping the standard coverage salary level at the maximum value of $64,000 will continue to have a negative impact on the participation of the program as the program design does not account for the wage growth from when the maximum salary level for standard coverage was established in 1988. Therefore, if the Board did not approve any of the changes proposed, Mr. Stohr asked that the topic be added as a future agenda item for alternative considerations.

Mr. Guidry added that the proposed changes would simplify the program and allow for more choices for employees and updated employer sharing of premiums. This would make the plan more appealing to current non-enrollees and new employees, which would boost enrollment in the program overall.

Mr. Guidry and Mr. Correia provided additional data for employees most impacted by the proposed changes. The data compiled and presented to the Board compared the current 2023 premiums with the proposed premiums, using the 2021 Insurance files submitted by employers and the premiums for 2023 as a model. They shared data comparing the average current premium and new premium rates for enrollees based on payroll center. For state payroll center (STAR) agencies, they pulled data on the employee premium cost for current and proposed plans for the ten agencies with the highest number of employees enrolled in ICI. The number of employees enrolled in the program for the top 10 agencies was based off of the figures as of December 31, 2021, and it was assumed that those currently enrolled would remain in the program.

Mr. Pahnke asked if enrollees could opt out of the program at any time. Mr. Guidry confirmed that enrollees did have the ability to opt out of the program, but he did not believe that would be the case. As they shared at the beginning of their presentation, the proposed changes would simplify the program to make it both easier to administer and understand. It would create a single premium rate table and eliminate the annual supplemental enrollment period. This would encourage enrollment and make it more appealing to both employees and employers.

Additional analysis had been done on the ICI reserve impact since the August Board meeting. Further investigation showed that there would be no significant changes to the fund reserve ratio by increasing the maximum salary for the ICI Standard plan.

Mr. Guidry concluded his presentation by going through the next steps for implementing changes that were approved by the Board. These included:

- Communicating to employers and employees
- Assisting employers and the Hartford with updating program administration
- Developing 2024 premium rate tables for publication at the end of November 2023
- Publishing revised plan language and updating the ICI Employer Manual
- Reviewing and revising internal processes.

Three options varying in the extent of proposed changes, and effective dates were offered to the Board for consideration. Mr. Guidry and Mr. Correia shared potential advantages and disadvantages of each option. Mr. Guidry invited the Board to ask any questions on the information provided in the memo and presentation.

Mr. Pahnke asked whether employers noted any distinctions between the State and UW ICI plans as it related to employer support for the changes and also the proposed changes for the ICI program’s sick leave provisions in the agency’s budget request. Mr.

Guidry responded that the UW didn't draw any distinctions between the plan structures in their letter of support. In response to a follow up question about the UW Hospital Authority (UWHA), he noted that the UWHA has different sick leave provisions for their employees that make it more difficult for their employees to reach new premium levels under the current sick-leave based system.

Ms. Thompson asked if there were any downsides to a gradual increase of premium fees. Mr. Guidry shared that a gradual increase of premiums would mean that savings in the future may not be as pronounced. He stated that part of the reason they were proposing these changes to the Board now was due to premiums being lower for the state ICI program due to rate decisions made by the Board in 2022 and 2023.

Mr. Day thanked the staff on behalf of the Board for the additional research that had been done to provide clarification on areas of concern expressed in the August meeting. He asked if there was a motion to approve the changes according to any of the three options presented to the Board.

MOTION: Ms. Flogel moved to approve all changes to the ICI program state and local plan language as provided in Attachment A effective January 1, 2024. Mr. Pahnke seconded the motion, which passed unanimously on a voice vote.

2023 OPEN ENROLLMENT CAMPAIGN

Mr. Rasmussen shared highlights from the 2023 Open Enrollment Campaign. The most notable of these highlights included WEA Trust's exit from the GHIP, Dean Health Plan administering the Access Plan and State Maintenance Plan, UnitedHealthcare administering the Medicare Plus Plan, Security being added to the GHIP, and changes to both health plan names and service area coverage.

As a result of these significant changes, staff provided more opportunities for members to learn about how their coverage would be impacted and the options that were available. The change to the GHIP lineup saw an increase in members: attending open enrollment webinars, reaching out to the call center, accessing eLearning Videos published on the ETF website, and logging into Benefits Mentor (ETF's interactive benefits counselor for state employees and non-Medicare retirees). Overall member feedback had been positive.

Ms. Mallow stated that the final data for the 2023 Open Enrollment period would be presented to the Board at the February meeting. This would include a breakdown of what health plans members selected due to WEA Trust's exit.

Mr. Rasmussen invited the Board to ask any questions about the material in either the 2023 Open Enrollment Campaign memo (Ref. GIB | 11.16.22 | 6) or during his presentation. Mr. Wimmer asked if ETF expected the call center activity to return to average numbers in subsequent years. Mr. Voelker responded that the surge of calls

coming into the call center were likely a one-off event, brought on by members who needed to transition health plans due to WEA Trust's exit.

On that note, Mr. Voelker announced that he strongly believed the staff had done a tremendous job with adapting to the influx of members reaching out for information and offering educational opportunities and resources for members leading up to and throughout the 2023 Open Enrollment period. Ms. Flogel shared her appreciation for the work the staff had done on behalf of members to mitigate disruptions to their health plan coverages due to WEA Trust leaving the GHIP.

WISCONSIN HEALTH MARKET REPORT

Ms. Walk referred the Board to the Wisconsin Health Market Report memo (Ref. GIB | 11.16.22 | 7) and discussed:

- Wisconsin health market background.
- Vendor mergers, acquisitions, and other partnerships.
- Provider mergers and acquisitions.
- Provider network changes.
- New provider facilities.

Additionally, she provided an overview of the National Academy of State Health Policy (NASHP) Hospital Cost Tool (HCT). Ms. Walk emphasized the importance of the HCT and that it gave members of the public a look at hospital operating costs versus revenue, the proportion of charity care and unreimbursed expenses, and the breakdown of payer mix at each facility. ETF staff will use this information as part of the annual rate negotiations with participating health plans. This information could also allow the public to compare among hospitals, examine a specific hospital or health system, or look at hospital costs by state. Ms. Thompson requested that future cost analysis be overlayed by quality services and utilization data if such data is readily available. Ms. Walk stated that the cost data will be joined within DAISI, allowing for more refined analysis.

AUDIT OF PHARMACY BENEFIT MANAGER

Ms. Sieg referred the Board to the report and accompanying documents submitted as part of the Audit of Pharmacy Benefit Manager (PBM) memo (Ref. GIB | 11.16.22 | 8). The audit was an annual review of the Board's Pharmacy Benefit Program conducted by PillarRx Consulting, LLC (PillarRx), an independent auditing firm that specializes in the pharmaceutical industry. PillarRx assessed Navitus Health Solutions, LLC (Navitus), the current PBM contracted with the Board. The audit examined Navitus's administration of the pharmacy benefits offered to all members, with the most recent scope concentrated on the following records:

- Commercial pharmacy claims from January 1, 2021 to December 31, 2021
- Employer Group Waiver Plan (EGWP) pharmacy claims from January 1, 2020 to December 31, 2020
- Pharmacy Network from January 1, 2020 to December 31, 2020

- Pharmacy Rebates from October 1, 2020 to December 31, 2020.

Ms. Sieg shared two items that had come up in the audit findings reports. The first was due to an EGWP dispensing fee overcharge, which was a result of members getting prescriptions filled at a handful of pharmacy groups with very high dispensing fees. The other item was a recommendation from PillarRx that the State should work with Navitus to ensure all required prior authorization (PA) forms were submitted by members and their prescribers. Ms. Sieg noted that staff would address this issue in the future by closely examining PA form adherence during yearly audits, and work with Navitus to make a corrective action plan if necessary.

ADMINISTRATIVE SERVICES FOR THE STATE OF WISCONSIN PHARMACY BENEFITS PROGRAM CONTRACT EXTENSION

Ms. Sieg began her presentation on the Administrative Services for the State of Wisconsin Pharmacy Benefits Program Contract Extension (Ref. GIB | 11.16.22 | 9) with an overview of the PBM history. She highlighted the importance of an extension due to the timing overlap between the IAS implementation schedule and the onboarding and offboarding transition between contracted PBMs. Currently, both projects would begin during the second quarter of 2024 and require the same staff members and agency resources.

The one-year extension would allow Navitus to remain the Board's Pharmacy Benefit Manager for the entirety of 2025. Ms. Sieg proposed a new RFP timeline, which would publish the RFP in April 2024 and end with the new vendor for the Pharmacy Benefit Program providing benefits to members effective January 1, 2026.

> ***MOTION: Mr. Fields moved to approve a one-year extension of the existing contract with Navitus Health Solutions, the Board's Pharmacy Benefit Manager for the period of January 1, 2025, through December 31, 2025. Ms. Hillson seconded the motion, which pass unanimously on a voice vote.***

The Board took a break from 10:11 a.m. – 10:26 a.m.

HEALTH INSURANCE ADMINISTRATIVE FEES

Ms. Klimke provided an overview of the administrative fees charged to the GHIP and added to health insurance premiums. In the Health Insurance Administrative Fees memo (Ref. GIB | 11.16.22 | 10) and her presentation, Ms. Klimke shared a graph that tracked the fee per health contract per month, as well as the total annual dollar amount of costs since 2016. She explained the annual cost was made up of the ETF administrative costs, wellness program costs, and data warehouse costs. Ms. Klimke went over each of the three costs in more detail with examples of fees that were factored into those costs. The second graph shared with the Board was the administrative cost per calendar year for ETF administrative expenses, wellness program expenses, and data warehouse expenses between 2016–2021.

When there was an opportunity for questions, Mr. Pahnke asked Ms. Klimke to give more information about the increase in administrative fees expected. She responded that there will be an increase over the next three years as part of the IAS program implementation. IAS costs will be represented in the administrative fee and include costs such as paying for the rollout of the program as well as a regular maintenance fee to support it. Mr. Pahnke also observed the data warehouse fee increase between 2020 and 2021 and asked why the increase was so pronounced. Mr. Voelker explained that the contract with IBM Watson had shifted the expenses from the general expense line to the data warehouse line, since the data warehouse service was built into the contract negotiations.

Ms. Lounsbury then inquired about the distribution of costs for the wellness program and asked to what extent incentive payments were included in those overall costs. Ms. Dunks shared that incentive payments are about 50% of the total wellness program cost. In 2017, the wellness benefit component (i.e., $150 Well Wisconsin incentive and health assessments) was removed from health plans' premium rates as the Board approved moving the wellness program to a single administrator. As a result, the wellness program expenses (e.g., program administration, incentive payments, coaching) increased between 2016 and 2017 as those expenses were moved under ETF's overall administrative costs. Ms. Lounsbury also inquired whether current funding for the wellness program could cross over to other health programs. Ms. Mallow stated that Ms. Klimke will begin presenting administrative costs analysis annually in August as part of the full GHIP rate setting process to provide members an opportunity to see estimated costs affiliated with each of the health programs.

WELL WISCONSIN AUDIT FINDINGS

Ms. Dunks referred the Board to the Well Wisconsin Audit Findings memo (Ref. GIB | 11.16.22 | 11) during her presentation. She explained the audit of WebMD was conducted by the Board's consulting actuary, Segal, and both Segal's final report and WebMD's response were included in the November meeting materials.

The audit examined WebMD's activities between January 1, 2020–December 31, 2021, including wellness incentive processing and payments, performance metric calculations, and billing activity. Ms. Dunks identified some of the audit findings and noted that WebMD had been cooperative through every step of the audit process. Ms. Dunks reported there were no concerns with continuing to work with WebMD after a thorough review of Segal's final audit report.

WELLNESS PROGRAM BACKGROUND

Ms. Dunks referred the Board to the Wellness Program Background memo (Ref. GIB | 11.16.22 | 12) during her presentation on the history and current state of the Well Wisconsin program. She began her presentation by identifying significant contract changes that were made to the Well Wisconsin program from 2013–2021. Events

included in the timeline were StayWell administering Well Wisconsin in 2017, and WebMD acquiring StayWell and the Board approving the release of the Well Wisconsin RFP for 2024 program implementation. Ms. Dunks included an analysis of how regulatory considerations like the Health Insurance Portability and Accountability Act (HIPAA), the Americans with Disabilities Act (ADA), and the Genetic Information Nondiscrimination Act (GINA) had historically impacted the Well Wisconsin program.

Information on the eligibility and funding of the Well Wisconsin program was noted in Ms. Dunks memo and presentation to the Board. Eligibility information for GHIP subscribers and their spouses is sent to WebMD. Members can then choose whether they want to utilize the wellness program benefit by creating a web portal account. ETF and WebMD work together to communicate important events like open enrollment to members through emails, social media, and program materials. Additionally, the Board's Medicare Advantage members can also utilize the Well Wisconsin program, although they cannot earn the $150 Well Wisconsin incentive.

Medicare Advantage members were being encouraged to opt into UnitedHealthcare's (UHC's) Renewed Rewards program due to not being able to utilize the $150 Well Wisconsin incentive. UHC's Renewed Rewards program used a star ranking system, which impacted the Centers for Medicare and Medicaid Services' (CMS') reimbursements and insurance premiums (the higher the star rating, the lower the premiums). Ms. Dunks recommended removing Medicare Advantage members from the Well Wisconsin program be revisited at a future meeting. Carving out Medicare Advantage members would save them from paying fees associated with the wellness program and continue motivating them to look into UHC's Renewed Rewards program.

Ms. Dunks referenced Ms. Klimke's presentation earlier and reiterated that the wellness benefit component was removed from the health plan premium in 2017. This increased the wellness fee to $9.00 per contract per month, but it has remained fairly stable since. The per contract per month for 2023 would be $9.80. She added that this is approximately 1% of the total GHIP premiums, and approximately half of the wellness fee goes back to participants as the $150 incentive payment.

Ms. Dunks provided an overview of the Well Wisconsin program's impacts. These included members who participated in the Well Wisconsin program having reductions in relative risk scores, better utilization rates, and participating in preventative screenings than those that did not reach the incentive. In partnership with Mr. Fadiran and Merative, data between 2016–2021 for the actual per member per year (PMPY) healthcare savings amounts could be populated to illustrate financial trends for those who received the Well Wisconsin incentive and those who didn't. The difference between actual and expected PMPY healthcare spending continues to grow larger in favor of those who participate in the program, indicating those who met the program incentives spent less on healthcare costs than expected based on age and gender.

Additionally, Segal conducted a Rate of Investment (ROI) analysis on the program in 2020 and identified a net return of $0.12 for every $1.00 spent between 2017 and 2019.

However, higher ROI scores often include areas that the Board's purview does not cover or have access to, like workplace policies and worker turnover. Ms. Dunks mentioned that in a survey designed to collect feedback on the program, 80% of members responded to indicate, "It's important to have the Well Wisconsin program available to employees."

In response to the ROI analysis, WebMD shared suggestions for the Board to consider. One of these was to include coupling an increase to the $150 incentive with a points-based strategy that weighs higher impact behavior change programs more heavily in their recommendations to improve ROI. Previously, the Board had declined to increase the incentive value and acknowledged that this would limit ROI capabilities. Nevertheless, transitioning the incentive design to a points-based program was a topic Ms. Dunks included in future items for Board consideration.

When asked if there were any questions about the information she shared with the Board, Ms. Dunks was asked by Ms. Lounsbury to explain what a points-based incentive program would look like. Ms. Dunks shared that a points-based program would weigh activities that were more supportive of people making long-term changes to their health higher than those that were fairly easy to do. Currently, an activity like a dental cleaning has the same value as an individual completing a coaching call for reaching goals and working with an accountability partner. Those individuals who reach a certain score on a points-based system would be eligible for the incentive, which would drive members towards behavior change initiatives.

WEIGHT MANAGEMENT ANALYSIS

Ms. Walk, Ms. Dunks, and Ms. Sieg referred the Board to the Weight Management Analysis memo (Ref. GIB | 11.16.22 | 13) during their presentation. They began by providing a critical analysis of the current definition of "overweight" and "obesity" using the Body Mass Index (BMI) screening tool. Ms. Walk contextualized the prevalence of obesity within Wisconsin by referencing a Behavioral Risk Factor Surveillance System (BRFSS) survey of adults in 2021, 33.9% of all Wisconsin adults are now considered obese based on self-reported data. Wisconsin's rate of obesity among Black residents is the highest in the nation, as well, according to the CDC's "Adult Obesity Prevalence Maps." The recent COVID-19 pandemic had shown individuals living with obesity were more likely to experience more severe and prolonged symptoms of the infection, even if they were otherwise healthy beforehand. This could be attributed to people living with obesity having associated physical changes, including immune deficiency, chronic inflammation, increased blood clotting, and restricted breathing capacity.

Medical and clinical approaches to treating obesity that were both covered and not covered by the GHIP were highlighted for the Board. Treatments included in GHIP coverage were United States Preventive Services Task Force recommended screening, nutritional counseling for a covered medical condition, and bariatric surgery. Conversely, nutritional counseling for weight loss (unless part of bariatric surgery prep) and weight loss or diet programs were not covered by the GHIP. Ms. Walk also noted

that the success of low-intensity clinical interventions can be difficult to measure. She referenced UpToDate's (a clinical decision support tool used by providers to make evidence-based care decisions) summary guidelines on weight loss, which stated that the body may have a "set point" of adipose tissue mass that may be reverted back to despite weight loss treatments that focused on an individual's willpower. Subsequent treatment discussed in UpToDate's guidelines were drug therapy, devices, and bariatric surgery.

Ms. Sieg spoke about weight-loss drugs for members. Navitus has four weight-loss drugs available to be added to non-Medicare formularies: Saxenda, Contrave, Qsymia, and Wegovy. These are prescribed for individuals with either a BMI of 27 or higher and a weight-related medical issues, or adults with a BMI of 30 or higher. Prescriptions for these drugs require prior authorization forms that noted the drugs must be used with exercise and dietary changes.

Ms. Sieg discussed some of the challenges of adding weight-loss drugs into the GHIP pharmaceutical coverage. The ability to give patients all the needed tools, long-term benefits/effects of taking weight-loss drugs, and cost to payers were identified by Ms. Sieg as areas of concern. She supported these points by citing information from the October 20, 2022 publication "Final Evidence Report and Policy Recommendations on Treatments for Obesity Management" from the Institute for Clinical and Economic Review (ICER). Ms. Sieg also highlighted some of the key recommendations from the ICER report including changing the BMI thresholds, not requiring lifestyle management programs along with weight-loss drugs, and step therapy being a requirement for a weight-loss drug prescription.

Ms. Dunks shared that WebMD offered a variety of tools and resources available to support GHIP subscribers and spouses with making and sustaining lifestyle changes to support weight management. Lifestyle approaches available to members included telephonic/digital health coaching, educational content and articles, wellness challenges, podcasts, fitness videos, healthy recipes, and the Diabetes Prevention Program (DPP). Ms. Dunks went on to detail that WebMD's intensive weight management program, Positively Me, was based off of the DPP model. Positively Me is a year-long, one-on-one intensive coaching program focused on weight management, and offered at a lower cost per person than WebMD's previous pilot program, Ignite. Since Positively Me remained within the approved cost of the $115,000 budget but was cheaper per person, more members have been able to participate in the program. Results from 2021 and 2022 (year-to-date) participants showed 40%–50% reported improvements in weekly exercise and fruit and vegetable intake; and 51% of participants lost weight with an average weight loss being 8–10 pounds per person.

The GHIP also allowed members to use health savings accounts (HSAs) and flexible spending accounts (FSAs) to pay for prescribed weight management-related costs that may not be covered by insurance. The HSA and FSAs could be used to pay for or reimburse members for the costs if they included a letter of medical necessity with their weight loss expense reimbursement requests. Additionally, UnitedHealthcare offered a

similar program, Real Appeal, to Medicare Advantage members. Like Positively Me, Real Appeal was based off of the CDC's DPP and took place over the course of a year.

Ms. Dunks gave an overview of how GHIP's lifestyle approaches compared to other states and local government agencies. A majority showed similar benefits to those offered by the GHIP with two indicating they provided nutritional counseling coverage and one covered meal replacement therapy. Private sector employers, meanwhile, reported offering things like healthy home delivery, weight management meetings, onsite fitness centers, personal trainers, and healthy vending and café options. However, these employer-driven approaches were still adapting to accommodating hybrid employees who weren't in the office 40 hours a week or worked in non-conventional workplaces. The GHIP could support employers in programming, but workplace programs were ultimately up to the employer to administer.

There were many opportunities to evaluate the impact of current program benefits on weight management offered by the GHIP. ETF staff met with the Obesity Action Coalition to listen to the concerns and share resources to make informed decisions for the best interest of GHIP members. Health plans were being encouraged to share data regarding lifestyle approaches and weight loss treatment models built on a DPP framework in Merative. Ms. Dunks stated that having this information available in the data warehouse would help keep track of ETF being able to continue to monitor the long-term benefits of bariatric surgery for members, as well as developments in weight management pharmaceuticals and their associated costs.

ETF staff were currently reviewing vendor proposals for the Well Wisconsin program beginning in 2024. Services like what is currently available via WebMD for weight management is a contract requirement included in the RFP; however, vendors have the opportunity to propose additional services. The RFP evaluation committee's recommendation would be presented to the Board at the upcoming February 2023 meeting.

As Ms. Walk, Ms. Dunks, and Ms. Sieg concluded their presentation, Mr. Day reminded his fellow Board members that no vote would be entertained for benefit changes to the GHIP as premium rates had been finalized in 2023. The annual cycle of reviewing these changes would mean that recommendations to health plan coverage would be brought to the Board for consideration in February, and approving changes would follow in May.

The Board members were invited to ask questions, and Mr. Day started by asking for clarification regarding the information provided in both the ICER report and the Weight Management Analysis memo on the cost-effectiveness and evidence of weight loss presented by the generic drug phentermine. Ms. Sieg answered that according to the analysis published in the ICER report using phentermine alone did not provide the best option for weight loss when compared to semaglutide or phentermine/topiramate with semaglutide. Additionally, the ICER report only found the cost effectiveness for phentermine/topiramate when it was paired with the addition of lifestyle modifications. Ms. Sieg emphasized that the generic phentermine was a Level 1 narcotic and was

intended only for short-term (90-day) usage. Mr. Day requested that more research be provided to the Board regarding the cost effectiveness of prescribing phentermine as a possible option for adding to the GHIP pharmaceutical formulary, while maintaining or reduce premium costs. Ms. Sieg stated that more information on phentermine would be prepared for the February meeting.

Ms. Lounsbury asked for more information regarding the potential value to the program to shift wellness allocated funding to medical or pharmaceutical program funding for weight loss management. Ms. Walk shared that the interpretation of Wis. Stats. § 40.03(6)(c) meant that there needed to be concurrent savings within the program available to expand benefits in the GHIP in order to maintain or reduce premium costs. Ms. Walk stated that data and literature is limited to suggest that there are long-term benefits to members to currently justify this shift, but continual monitoring is warranted. Ms. Walk emphasized that there are factors that cause overweight and obesity that ETF does not have control or information. Ms. Dunk stated, as an example, that wellness ROI might not provide the full benefits of the program without having disability, sick leave and other information for a holistic analysis Ms. Walk explained that his in contrast, there is data and studies readily available on bariatric surgery provided to the Board previously, which documents the benefits relative to the one-time expense and the recouping of costs thereafter.

OPERATIONAL UPDATES

Ms. Mallow referred the Board to the Operational Updates in the Board packet (Ref. GIB | 11.16.22 | 14A-14G) and provided an overview of the written memos. Mr. Stamm provided a brief verbal update on the IAS Update memo (Ref. GIB | 11.16.22 | 14A). Additionally, Ms. Mallow shared that the Quarterly Health Plan Performance Report (Ref. GIB | 11.16.22 | 14B) would be undergoing some changes to make the content presented in the report more engaging to readers. The revised design would also highlight vendor performance improvements.

In reference to the Navitus letters that were shared in the Board Correspondence memo (Ref. GIB | 11.16.22 | 14E), Mr. Day asked if there was any way to influence messages sent by the pharmacy benefits manager before they go out to members. Ms. Sieg responded that Navitus is required to issue written notices to members enrolled in the pharmacy benefit before the It's Your Choice Open Enrollment period and identify participating pharmacies that will not be in-network for the upcoming benefit period. This provision allows members to make informed decisions about pharmacy networks and providers during the Open Enrollment period. However, because the letter is going to not just ETF members but to all Navitus clients that are affected, ETF is not allowed to edit the letter. Ms. Mallow shared that they do have regular meetings with Navitus and would make sure this feedback was passed along during the next meeting.

TENTATIVE FEBRUARY 2023 AGENDA

Ms. Mallow referred the Board to the Tentative February 2023 Agenda memo in the Board packet (Ref. GIB | 11.16.22 | 15). A couple of items that she highlighted from the memo that would be part of the February meeting were awarding the contract(s) for the Wellness and Disease Management RFP and an update on the Inflation Reduction Act.

MOVE TO CLOSED SESSION

Mr. Day announced that the Board would meet in closed session to discuss ETF's Information and Security Management program and would be getting an update on security measures in place to protect information.

MOTION: Mr. Fields moved to approve moving to closed session pursuant to the exemption contained in Wis. Stats. §19.85 (1) (d) to consider strategy for crime detection or prevention. If a closed session is held, the Board may vote to reconvene in open session following the closed session. Ms. Thompson seconded the motion, which passed on the following roll call vote:

Ayes: Day, Fields, Flogel, Hillson, Houdek, Jackson, Lounsbury, Pahnke, Thompson, Ugoretz, Wimmer.

Nays: None.

The Board convened in closed session at 11:41 a.m.

The Board returned to open session at 12:04 p.m.

ANNOUNCEMENT OF BUSINESS DELIBERATED IN CLOSED SESSION DISCUSSION

Mr. Day announced during closed session that members of the Board and essential ETF staff listened to a presentation regarding ETF's Information and Security Management program and received an update on security measures in place. No action was taken.

ADJOURNMENT

MOTION: Mr. Fields moved to adjourn the meeting. Ms. Thompson seconded the motion, which passed unanimously on a voice vote.

The meeting adjourned at 12:06 p.m.

Date Approved: _____
Signed: _____
Nancy Thompson, Secretary
Group Insurance Board