From:

To: ETF SMB Board Feedback

Subject: Adding Anti-Obesity Medications to the State of Wisconsin Group Health Insurance Program

Date: Tuesday, April 11, 2023 9:13:10 PM

Attachments:

CAUTION: This email originated from outside the organization.

Do not click links or open attachments unless you recognize the sender and know the content is safe.

DATE: April 10, 2023

TO: The Group Insurance Board (GIB) ETFSMBBoardFeedback@etf.wi.gov

FROM: Sherri Honaker, Executive Staff Assistant, Wisconsin Department of Public Instruction

RE: Adding Anti-Obesity Medications to the State of Wisconsin Group Health Insurance Program

As a state employee at the Department of Public Instruction, I am writing to you regarding considering anti-obesity medications (AOMs) to be added to the State of Wisconsin Group Health Insurance Program so public employees have equitable access to the care we need. Healthcare providers have endorsed these medications as a way to treat obesity without surgery or surgical aftercare. As part of a chronic weight loss or management program, these medicines have proved to increase an individual's weight loss over time and allow individuals to decrease or even cease the use of other medications they have to use to combat the side effects of chronic obesity. Adding AOMs to the health insurance program for public employees can lead to numerous benefits, such as improved health outcomes and quality of life for members, increased productivity, etc.

I have been	and	for almost two decades. Health		
issues resulting from my	include			
	. I have spent thousands of dollars on Weight			
Watchers, special meals, an	d numerous other progra	ms.		
Though I am glad I could u	ndergo	I would have preferred to		
use AOMs if they had been	covered under Wisconsi	n's Group Health Insurance Program.		
AOMs would have been a r	nuch more convenient an	nd easier transition for myself and my		
body than undergoing	and	. Being able to take weight loss		
	ed me time, stress, and or	verall complications. I also have a		
daughter with	, and my having	put a large amount of into		
her life				

Allowing these medications with prior authorization to be covered by ETF medical insurance plans not only offers an affordable, convenient option for individuals needing to lose weight and manage their chronic disease but also would show members that the State of Wisconsin

benefit plans meet their employees' needs. All our neighboring states (Minnesota, Iowa, Illinois, Indiana, and Michigan) offer anti-obesity medication as a benefit to their public employees. The Wisconsin Medicaid program offers anti-obesity medication as a benefit to its recipients. I am asking the GIB to add AOMs to the State of Wisconsin Group Health Insurance Program as well.

Thank you for your consideration on this matter and for allowing me to advocate as an employee on this issue.

Sincerely,

Sherri Honaker

DATE: April 10, 2023

TO: The Group Insurance Board (GIB) <u>ETFSMBBoardFeedback@etf.wi.gov</u>

FROM: Sherri Honaker, Executive Staff Assistant, Wisconsin Department of Public Instruction

RE: Adding Anti-Obesity Medications to the State of Wisconsin Group Health Insurance Program

As a state employee at the Department of Public Instruction, I am writing to you regarding considering anti-obesity medications (AOMs) to be added to the State of Wisconsin Group Health Insurance Program so public employees have equitable access to the care we need. Healthcare providers have endorsed these medications as a way to treat obesity without surgery or surgical aftercare. As part of a chronic weight loss or management program, these medicines have proved to increase an individual's weight loss over time and allow individuals to decrease or even cease the use of other medications they have to use to combat the side effects of chronic obesity. Adding AOMs to the health insurance program for public employees can lead to numerous benefits, such as improved health outcomes and quality of life for members, increased productivity, etc.

I have been	most of my life and	for almost two decades. I	Health
issues resulting from 1	ny include		
	. I have	e spent thousands of dollars on Weigh	ht Watchers,
special meals, and nur	nerous other programs.		
Though I am glad I co	ould undergo	for I would have pre-	ferred to use
AOMs if they had bee	n covered under Wisconsin	n's Group Health Insurance Program	. AOMs
would have been a mu	ich more convenient and ea	asier transition for myself and my boo	dy than
undergoing	and	. Being able to take weight loss med	dication
would have saved me	time, stress, and overall co	mplications. I also have a daughter v	vith
, and my havin	g put a large amou	into her life.	
	· · · · · · · · · · · · · · · · · · ·		

Allowing these medications with prior authorization to be covered by ETF medical insurance plans not only offers an affordable, convenient option for individuals needing to lose weight and manage their chronic disease but also would show members that the State of Wisconsin benefit plans meet their employees' needs. All our neighboring states (Minnesota, Iowa, Illinois, Indiana, and Michigan) offer anti-obesity medication as a benefit to their public employees. The Wisconsin Medicaid program offers anti-obesity medication as a benefit to its recipients. I am asking the GIB to add AOMs to the State of Wisconsin Group Health Insurance Program as well.

Thank you for your consideration on this matter and for allowing me to advocate as an employee on this issue.

Sincerely,

Sherri Honaker



## STATE OF WISCONSIN Department of Employee Trust Funds

A. John Voelker SECRETARY Wisconsin Department of Employee Trust Funds PO Box 7931 Madison WI 53707-7931 1-877-533-5020 (toll free) Fax 608-267-4549 etf.wi.gov

April 21, 2023

Sherri Honaker

## Dear Sherri Honaker:

Thank you for your email to the Group Insurance Board (Board) regarding adding coverage of anti-obesity medications (AOMs) to the Group Health Insurance Program (GHIP).

You are correct that AOMs currently are not covered under the GHIP. However, the Board has discussed adding AOMs to the pharmacy formulary in the past. The Board cannot add coverage for benefits that are not mandated by law unless savings can be demonstrated or benefits are reduced (see <a href="Wis. Stats.">Wis. Stats.</a> § 40.03(6)(c)). The Board reviewed coverage of AOMs through the pharmacy benefit at the June 30, 2022, meeting. As noted in the <a href="Weight-Loss Drug Coverage Options Review">Weight-Loss Drug Coverage Options Review</a> memo, the Board's actuary, Segal, estimated the cost of adding weight-loss drugs to the Board's non-Medicare formulary would be about \$11,000 to \$13,000 per person, or between \$12 million—\$17 million per year. The most recently available studies produced on these drugs report they are only estimated to save about \$1,400 per patient per year or about \$2 million a year in savings. This was one of the reasons the Board was not able to add coverage.

Another reason the Board is hesitant to add coverage is that the long-term effects of taking AOMs for multiple years is unknown and studies are currently being conducted. AOM drug manufacturers have conducted studies of the short-term effects of taking AOMs for up to 72 weeks. However, most research has shown that patients will be on AOMs for multiple years and in some cases possibly the rest of their lives. Long-term studies of AOMs aim to answer the questions of whether weight regain may occur over time despite continued therapy, if maintaining weight loss is viable under the drug, and the good and bad health effects of taking weight-loss drugs for a long duration. The timelines and release dates of the information from these ongoing studies are unknown.

By contrast, the current estimated cost of bariatric surgery is \$26,000, which is a one-time cost borne to the GHIP and the results in accrued savings throughout a patient's lifetime. Using medical studies on bariatric surgery and its long-term effects on patients and their health, ETF and the Board were able to justify adding coverage for the benefit.

Sherri Honaker April 21, 2023 Page 2

In your email, you observed that some state employees in neighboring states do have coverage of AOMs, which is correct. However, that coverage varies, and often other requirements must be met. For example, a Minnesota State employee must pay the full cost of AOMs for three months and lose five percent of their body weight before the Minnesota State pharmacy benefit would start to pay for the AOM. These requirements significantly limit the number of Minnesota State Employees who take weight loss drugs.

GHIP members can obtain some AOMs, such as Wegovy and Saxenda, at a discounted rate. The drugs on the attached "Department of Employee Trust Funds Discount Drug List" are not covered by the GHIP's pharmacy benefit but can be obtained at the negotiated rate Navitus Health Solutions, the Board's Pharmacy Benefit Manager (PBM), has with the pharmacy filling the drug prescription. The pharmacy negotiated rate will be lower than the full price of the drug. Please note that the price a member pays will not count towards any out-of-pocket limits (OOPL) or any pharmacy deductible.

During the February 22, 2023, Board meeting, the Board received a <u>"2024 Preliminary Agreement and Benefit Changes"</u> memo and presentation regarding possible health insurance and pharmacy benefit changes for 2024. Coverage of weight-loss drugs is discussed in that memo.

At the upcoming May 17, 2023, Board meeting, ETF staff will present the Board with their findings regarding preliminary changes, including the addition of weight-loss drug coverage for 2024. The May meeting agenda, Board memos, and other materials will be posted to the ETF website on the "Group Insurance Board Meeting Agendas and Materials" page before the meeting.

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

Sincerely,

Tricia Sieg, Pharmacy Benefits Program Manager Office of Strategic Health Policy Department of Employee Trust Funds <a href="mailto:tricia.sieg@etf.wi.gov">tricia.sieg@etf.wi.gov</a> 608-261-6006



## Department of Employee Trust Funds Discount Drug List

## **Updated January 2023**

Prescriptions that are not covered by your pharmacy benefit may be available at a discounted rate. This may include drugs for infertility, weight loss, cosmetic or other lifestyle needs as prescribed by your doctor. You can use your Health Care Flexible Spending account to pay for them, with a prescription.

DRUG	Copay	Drug Category
ADIPEX-P CAP	100%	WEIGHT LOSS
ADIPEX-P TAB	100%	WEIGHT LOSS
AVAGE CREAM	100%	COSMETICS
CAVERJECT INJ	100%	INJECTABLES, SEXUAL DYSFUNCTION
cetrorelix acetate for inj kit	100%	INFERTILITY, INJECTABLES
CETROTIDE INJ KIT	100%	INFERTILITY, INJECTABLES
CHROMELIN SOLN	100%	COSMETICS
CLOMID TAB, CLOMIPHENE CITRATE TAB	100%	INFERTILITY
CLOMIPHENE CITRATE POWDER	100%	INFERTILITY
CONTRAVE TAB	100%	WEIGHT LOSS
DY-O-DERM SOLN	100%	COSMETICS
EDEX INJ	100%	INJECTABLES, SEXUAL DYSFUNCTION
finasteride tab	100%	COSMETICS
FOLLISTIM AQ INJ	100%	INFERTILITY, INJECTABLES
ganirelix ac inj	100%	INFERTILITY, INJECTABLES
GONAL-F RFF INJ	100%	INFERTILITY, INJECTABLES
hydroquinone cream	100%	COSMETICS
leuprolide inj	100%	INFERTILITY, INJECTABLES
LUPRON DEPOT INJ	100%	INJECTABLES
LUSTRA CREAM	100%	COSMETICS
MENOPUR INJ	100%	INFERTILITY, INJECTABLES
METHOXSALEN POWDER	100%	COSMETICS
minoxidil soln	100%	COSMETICS
MUSE SUPP	100%	SEXUAL DYSFUNCTION
OVIDREL INJ	100%	INFERTILITY, INJECTABLES
PAPAVERINE/ALPROSTADIL INJ	100%	INJECTABLES, SEXUAL DYSFUNCTION
PAPAVERINE/PHENTOLAMINE INJ	100%	INJECTABLES, SEXUAL DYSFUNCTION
PAPAVERINE/PHENTOLAMINE/ALPROSTADIL INJ	100%	INJECTABLES, SEXUAL DYSFUNCTION
phentermine cap	100%	WEIGHT LOSS
phentermine tab	100%	WEIGHT LOSS
PHENTOLAMINE/ALPROSTADIL INJ	100%	INJECTABLES, SEXUAL DYSFUNCTION
PREGNYL INJ	100%	INFERTILITY



OSS
S
OSS
OSS
OSS
O: