

From: [Amy Marsman](#)
To: [ETF SMB Board Feedback](#)
Subject: Adding anti-obesity medications to the State of Wisconsin Group Health Insurance Program
Date: Wednesday, April 26, 2023 3:19:03 PM

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Hello,

As a State employee, I am writing to you regarding the consideration for anti-obesity medications (AOMs) to be added to the State of Wisconsin Group Health Insurance Program so public employees have equitable access to care. As part of a chronic weight loss or management program, these medicines have proved to increase an individual's weight loss over time and also allowed 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: improved health outcomes, better quality of life for members, and increased productivity. Providing access to AOMs under the state's health insurance plan provides members with another option when considering the best decision to make for their health. Not only does providing members with access to AOMs in our health insurance plans contribute to better weight management and quality of life, but providing equitable access to these treatments helps to reduce costs when managing weight loss and weight-related issues. Compared to the cost of treating obesity-related chronic diseases, the cost of anti-obesity medication is relatively low. By preventing or managing chronic conditions, the State of Wisconsin could save money on healthcare costs in the long run.

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 their 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.

Sincerely,
Amy Marsman



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 27, 2023

Amy Marsman
[REDACTED]

Dear Amy Marsman:

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).

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 [Wis. Stats. § 40.03\(6\)\(c\)](#)). The Board reviewed coverage of AOMs through the pharmacy benefit at the June 30, 2022, meeting. As noted in the ["Weight-Loss Drug Coverage Options Review"](#) 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 are 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 by the GHIP and 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.

Amy Marsman

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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.

In your email, you mentioned that the Wisconsin Medicaid program offers AOMs as a benefit to their recipients. According to a [2017 article in Health Affairs by Ramsey Baghdadi](#), Medicaid's best price policy mandates that a drug manufacturer must offer state Medicaid Programs the best price given to any other purchaser with a mandatory rebate of 23.1% off the list price of the drug. Currently, only Medicaid programs can achieve this level of rebates and thereby realize some price reduction on AOMs.

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 (OOP) or any pharmacy deductible.

During the February 22, 2023, Board meeting, the Board received a ["2024 Preliminary Agreement and Benefit Changes"](#) 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
tricia.sieg@etf.wi.gov
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
cetorelix 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
CONTRACE 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

PROPECIA TAB	100%	COSMETICS
QSYMIA CAP	100%	WEIGHT LOSS
RENOVA CREAM	100%	COSMETICS
ROGAINE SOLN	100%	COSMETICS
SAXENDA INJ	100%	INJECTABLES, WEIGHT LOSS
sildenafil tab	100%	SEXUAL DYSFUNCTION
STENDRA	100%	SEXUAL DYSFUNCTION
tadalafil tab	100%	SEXUAL DYSFUNCTION
TRELSTAR INJ	100%	INFERTILITY, INJECTABLES
TRI-LUMA CREAM	100%	COSMETICS
VANIQA CREAM	100%	COSMETICS
vardenafil ODT	100%	SEXUAL DYSFUNCTION
vardenafil tab	100%	SEXUAL DYSFUNCTION
VITADYE LOTION	100%	COSMETICS
WEGOVY INJ	100%	INJECTABLES, WEIGHT LOSS
WEGOVY INJ 1.7MG/0.75ML	100%	INJECTABLES, WEIGHT LOSS
WEGOVY INJ 2.4MG/0.75ML	100%	INJECTABLES, WEIGHT LOSS
XENICAL CAP	100%	WEIGHT LOSS