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Correspondence Memorandum

Date: July 7, 2023
To: Group Insurance Board
From: Tricia Sieg, Pharmacy Benefits Program Manager
 Office of Strategic Health Policy
Subject: Access Guidance Service Program

The Department of Employee Trust Funds (ETF) recommends the Group Insurance Board (Board) approve adding the Access Guidance Service (AGS) program for members on the 2024 non-Medicare Formulary.

Background

At the May 17, 2023, Board meeting, ETF recommended adding the AGS program, formerly referred to as the Copay Assistance Accumulator Program, for non-Medicare members for plan year 2024 ([Ref. GIB | 05.17.23 | 3C pages 7-8](#)). After discussion, the Board deferred the issue and requested a special meeting to discuss further adding the AGS program for 2024. The Board specifically asked ETF to conduct additional outreach with advocacy organizations who had submitted correspondence about AGS to the Board and other groups with experience participating in the AGS program.

Current Specialty Benefit and AGS

Currently, a non-Medicare member on a Level 4 specialty drug pays a \$50 copay each time they fill their prescription until they hit the Level 3 and Level 4 out-of-pocket limit (OOP). The Board pays the remainder of the cost of the specialty drug. Level 4 drugs offer few rebates compared to drugs on the other formulary levels. They are also typically the most expensive drugs.

The AGS program allows non-Medicare members to enroll in drug manufacturer coupon and copay assistance programs for specialty and human immunodeficiency virus (HIV) medications. Most drugs under the program will have no copay. If a member is required to pay a copay, the copay will always be less than \$50 and count toward the member's OOP.

Savings Estimates

Navitus Health Solutions (Navitus), the Board's Pharmacy Benefit Manager (PBM), estimates that members would have saved \$1.79 million, and the Board would have

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Reviewed and approved by Eileen Mallow, Director, Office of Strategic Health Policy
 Electronically Signed 07/12/2023

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saved a little more than \$26 million if enrolled in the program in 2022. The savings in the AGS program are based on drug manufacturers offering discount cards and coupons. Recent reports indicated that pharmaceutical companies are limiting their discount cards and coupon programs.¹

No laws or precedents require drug manufacturers to offer discount cards or coupons; thus, savings can vary from year to year.

Reference Checks

Navitus provided ETF with references from other public sector employers who offer the AGS program for their employees. Since the May 17, 2023, Board meeting, ETF has spoken with other public sector employers and directly with a participating member about the AGS program.

ETF first spoke with the Health Care and Benefits Division (HCBBD) within the Montana Department of Administration, which provides health insurance benefits to the state's active and retired employees. State of Montana employees have been enrolled in the AGS program since 2019, when the program was known as the Copay Max Program, and there were only a limited number of drugs in the program. The HCBBD feels the AGS program offers a much broader mix of drugs now than it did in 2019, is very streamlined, and works well based on hearing very little feedback from members about the program. The State of Montana saved over \$4 million with the AGS program last year and feels the savings they realize and the savings their members receive made implementing the program worthwhile.

ETF also contacted the University of Montana System, which maintains separate benefits from the HCBBD. The University of Montana System has been participating in the AGS program for about a year, and their representative reported that the implementation of the AGS system went smoothly with no member disruption. In fact, the University of Montana System wrote that they had several members reach out to thank them for the AGS program saving them in out-of-pocket costs. One member was upset that they could not participate in the AGS program but understood the reasoning once it was explained that Medicare does not allow participants to enroll in the AGS program. The University of Montana System stated that the significant savings for their plan and members under the AGS program is a win-win.

A third employer reference, La Crosse County, was not able to provide an administrator reference, but ETF was able to speak directly with a La Crosse County member with experience in the AGS program. The family's experience has been positive. The

¹ Loftus, P., & Walker, J. (2023, May 3). Patients Lose Access to Free Medicines Amid Spat Between Drugmakers, Health Plans. *The Wall Street Journal*. https://www.wsj.com/articles/patients-lose-access-to-free-medicines-amid-spat-between-drugmakers-health-plans-cca15b58?st=f4jc04lc3dm6pzi&reflink=desktopwebshare_permalink

member stated they receive their medication without interruption and pay a lower copay than before enrolling in the program.

Wisconsin All Copays Count Coalition Meeting

Before the Board's May 17, 2023, meeting, the Board received correspondence from various groups with questions or in opposition to the AGS program ([Ref. GIB | 05.17.23 | 8F](#)). One of the in-state groups that contacted the Board was the Wisconsin All Copays Count Coalition (Coalition). ETF contacted the Coalition to schedule a meeting to discuss the Board's pharmacy program and AGS. The meeting took place on June 30, 2023.

During that meeting, ETF and eight Coalition members discussed the Board's pharmacy benefits program and laid out how the program currently works. The group then spoke about the AGS program and how the program would work with the Board's pharmacy benefits program.

Coalition members voiced concerns about members' copays being higher than the \$50 they are currently paying for specialty drugs. ETF explained that this is not the case under the proposed ETF AGS Program, as members would pay less than the \$50, they may be currently paying for a specialty drug.

Coalition members also worried that members who chose not to enroll in the AGS program would be penalized or pushed to participate in the program by Navitus. ETF assured Coalition members that as required by contract ETF's program managers review Navitus's written correspondence before it is sent to members. ETF will ensure that it is clear to members that the program is voluntary and that there will be no consequences if a member does not enroll. ETF also explained the role of ETF Ombudsperson Services, and members could contact them for more direct assistance if they felt they were not being treated fairly by Navitus.

The Coalition expressed concerns about the structure of benefits under the program and whether drugs were being re-tiered, deemed non-essential health benefits, or moved to a third-party administrator to claim assistance funds. ETF assured the Coalition that they had asked Navitus these questions. The AGS program maintains specialty coverage within the pharmacy benefit and formulary and does not use alternate funding sources like foundations and grants to cover the cost of specialty drugs. Also, if Navitus used a third-party vendor to administer the program or process anything related to the Board's members, Navitus must notify ETF. Navitus confirmed after the June 30 meeting that they are not using a third-party vendor to administer the program or process member information related to the AGS program.

Legislative Update

As reported to the Board at the May meeting ([Ref. GIB | 05.17.23 | 8G page 5](#)), [2023 Senate Bill 100 \(SB 100\)](#) and companion [2023 Assembly Bill 103 \(AB 103\)](#) are pending pieces of legislation that, if enacted, ensure that copay assistance programs benefit

patients and that any money a patient pays out of pocket would count toward their OOP. The bills have bipartisan support in both houses of the legislature.

A similar provision to SB 100 and AB 103 was in the Governor's 2023-2025 budget that was presented to the legislature in February of 2023. The provision was not included in the 2023-2025 budget, now known as [2023 Wisconsin Act 19](#), which was signed into law on July 5, 2023.

As mentioned in the May memo, SB 100 was referred to the [Senate Committee on Insurance and Small Business](#), and AB 103 was referred to the [Assembly Committee on Health, Aging and Long-Term Care](#). Neither committee has taken any action on the bills.

In states, like Illinois, where legislation like SB 100 and AB 103 were signed into law, Navitus does not offer the AGS program. Navitus has said that if the current versions of SB 100 and AB103 were signed into law in Wisconsin, they would end the AGS program for their Wisconsin clients.

AGS Implementation

If the Board chooses to implement this benefit design, ETF will communicate information about the program to all members during the 2024 Open Enrollment period using decision guides and ETF's website. Navitus will reach out to members on specific medications regarding enrollment in the AGS program. Navitus's customer service team will be able to answer all questions from members about the benefit.

Staff will be at the Board meeting to answer any questions.