From:	
То:	ETF SMB Board Feedback
Subject:	Reconsideration of Anti-Obesity Medication Coverage in WI State Health Plans
Date:	Tuesday, December 26, 2023 9:08:16 PM

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Dear Group Health Insurance Board,

As an anesthesiologist and researcher at the UW School of Medicine and Public Health, and a keen observer of the health challenges facing our community, I am writing this follow-up email to urge you to reconsider your previous decision regarding the reimbursement of anti-obesity medications (AOMs) in our state employee health plans.

Your upcoming hearings in early 2024 present an important opportunity to align our state's health policies with the evolving understanding of obesity as a chronic medical condition and in my opinion a public health epidemic. This alignment is not just a matter of policy, but a moral commitment to the health and well-being of countless state employees (and their family members) who could benefit from these clinically proven medications as part of a comprehensive plan to reduce the huge medical and financial burdens of obesity.

Our neighboring states – Minnesota, Michigan, Iowa, Indiana, and Illinois – have set a precedent by including AOMs in their state employee health plans. They are also covered by BadgerCare (Wisconsin Medicaid) and as of earlier this year, the Federal Government's employee health plans overseen by OPM.

This inclusion not only demonstrates a progressive understanding of obesity as a treatable condition but also reflects a commitment to providing comprehensive healthcare coverage. By following suit, Wisconsin can ensure that our public employees receive the same level of care and support as their counterparts in the Midwest and across the country.

Obesity is more than a lifestyle issue; it's a complex health condition that affects various body systems. As an anesthesiologist, I see firsthand the complications and risks associated with obesity in surgical settings. These range from difficulties in administering anesthesia to increased postoperative complications. By supporting weight management through AOMs, we can potentially reduce these risks, leading to better surgical outcomes and overall health improvements. The cost-effectiveness of AOMs should not be overlooked. While the upfront costs are not insignificant, the long-term savings in preventing obesity-related conditions such as diabetes, heart disease, and certain cancers are considerable. This proactive approach can reduce the burden on our healthcare system and, ultimately, on the state's finances when viewed over the long term.

Moreover, including AOMs in health plans aligns with our goal of improving the quality of life and productivity of our employees. Effective weight management can lead to improved energy levels, lower absenteeism, and better overall performance at work. This not only benefits the individual but also enhances the efficiency and effectiveness of our state's workforce, including essential workers such as doctors, nurses, and first responders.

Lastly, the coverage of AOMs is a clear statement of support and understanding for those struggling with obesity. It acknowledges the challenges they face and provides them with the necessary tools to manage their condition effectively. This is not just about healthcare; it's about showing compassion and empathy towards our fellow Wisconsinites.

I urge the ETF Board to consider these points carefully during its upcoming meetings. The decision to include AOMs in our health plans is a decision to invest in the health and future of our state's workforce. It's also a decision that aligns Wisconsin's policies with its peers from a workforce and public health perspective. Thank you for your time and consideration. Sincerely, Benjamin Walker, MD



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

January 3, 2024

Benjamin Walker, MD

Dear Dr. Benjamin Walker:

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).

While the Department of Employee Trust Funds (ETF) continues to monitor cost effectiveness research, the current pricing of these drugs is still greater than the measurable savings. The Board must still adhere to <u>Wis. Stat. § 40.03(6)(c)</u> that only allows the Board to add benefits to the GHIP if the addition is mandated by law or if a savings can be demonstrated. If neither of these provisions are met, the Board must reduce benefits to allow for the addition of new benefits.

Recent market data has suggested that AOMs account for 1% of annual premium increases for 2024. The Board would either need to reduce \$18M in benefits to accommodate this cost increase, greater savings values would need to be shown in literature, or pharmaceutical companies would need to reduce prices to bring the costs in line with the demonstrated benefits.

At their November 16, 2022, meeting, the Board received a <u>"Weight Management Analysis"</u> memo and <u>presentation</u> from ETF staff with a comprehensive review of methods to address overweight and obesity, and the available evidence related to treatments. The presentation and memo included information on approaches addressing overweight and obesity ranging from lifestyle and behavioral change services to medical services and anti-obesity drugs.

At the May 17, 2023, Board meeting, the Board discussed adding weight-loss drugs to the drug formulary for 2024 (see pages 9-10 of ETF's memo to the Board linked here: <u>https://etf.wi.gov/boards/groupinsurance/2022/06/30/gib4/direct</u>). The same statutory restrictions still exist, and no additional research has shown greater cost savings; therefore, the Board was not able to add weight-loss drug coverage for 2024.

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The Board will consider 2025 GHIP changes at its February 21, 2024, meeting. The agenda, memos, and presentations for that meeting will be posted on ETF's <u>"Group Insurance Board Meeting Agendas and Materials"</u> webpage about a week prior to 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,

Molly Dunks, Disease Management and Wellness Program Manager Office of Strategic Health Policy Department of Employee Trust Funds <u>molly.dunks@etf.wi.gov</u>