From:

To: <u>ETF SMB Board Feedback</u>

Subject: Coverage for Anti-Obesity Medicine
Date: Saturday, January 27, 2024 9:16:46 AM

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Dear Members of the Group Insurance Board,

My name is Dr. Jacob Halvorsen, I'm a state employee currently serving as an Assistant Clinical Professor within the UW Department of Orthopedics and Rehabilitation. My experience in treating a diverse range of patients in Wisconsin gained as a former UW resident and now faculty member has given me a unique perspective on the far-reaching effects of obesity on health outcomes and government budgets. I am reaching out to advocate for the inclusion of anti-obesity medications (AOMs) in state health plans beginning as soon as possible due to the current obesity epidemic which is getting worse.

In both inpatient and outpatient settings, I have seen firsthand how untreated obesity can exacerbate numerous medical conditions. This not only complicates physical rehabilitation and pain management but also negatively impacts infection control and the outcomes of physical therapy. The chronic and serious nature of obesity often acts as a barrier to effective rehabilitation, leading to prolonged healthcare needs and increased costs.

The inclusion of anti-obesity medications in our health plan is not merely an added expense; it's an investment in the overall health and wellbeing of our community. These medications provide an essential tool in our arsenal against obesity-related complications, leading to improved rehabilitation outcomes, enhanced quality of life, and, ultimately, a reduction in long-term healthcare spending.

While I advocate for this inclusion professionally, I also approach this issue from a personal perspective.

Patients deserve

access to all clinically proven treatment options, in consultation with their healthcare providers, to effectively manage their health without shame or stigma.

I urge the Board to consider the long-term benefits of adding anti-obesity medications to the formulary. This decision has the potential to not only improve individual health outcomes but also to bend the overall health spending curve downwards, reflecting a proactive and comprehensive approach to healthcare.

Thank you for your attention to this matter of great importance.

Sincerely,

Dr. Jacob Halvorsen, DO

Physical Medicine and Rehabilitation Physician
University of Wisconsin-Madison Department of Orthopedics and Rehabilitation



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

February 2, 2024

Dr. Jacob Halvorsen, DO

Dear Dr. Jacob Halvorsen:

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 will consider 2025 GHIP changes at its February 21, 2024, meeting. The agenda, memos, and presentations for that meeting will be posted on the Department of Employee Trust Funds' (ETF's) "Group Insurance Board Meeting Agendas and Materials" webpage about a week prior to the meeting.

While ETF staff 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 Wis. Stat. § 40.03(6)(c) 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.

Again, thank you for your email and for sharing your personal story. 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 Jacob Halvorsen February 2, 2024 Page 2

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