From:	
То:	ETF SMB Board Feedback
Subject:	anti-obesity med coverage
Date:	Saturday, February 8, 2025 10:03:00 PM

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Dear Group Insurance Board Members,

My name is Kristen Wolf and I'm a teacher in New Lisbon, Wisconsin. I've worked here for 28 years and am a proud member of WEAC, the largest labor union in Wisconsin with tens of thousands of members working across the state to provide a great education and support services to nearly 900,000 children and teens enrolled in our public schools.

I am writing today to respectfully request that this board reconsider its past decision refusing to expand coverage for the latest FDA approved anti-obesity medications (AOMs) to ensure that Wisconsin public employee benefits reflect the importance of our work to the functioning of our state and the quality of life that encourages people to live, work, and raise families here. As you know, Wisconsin is a regional outlier in not providing these benefits to its public employees. Fundamental fairness, public health, future budget savings and competitiveness as an employer of choice should dictate that Wisconsin join its peers in providing AOM coverage where clinically indicated by one's health care provider.

Thank you for your time. I look forward to hearing from you soon.

Sincerely,

Kristen Wolf



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 12, 2025

Kristen Wolf

Dear Kristen,

Thank you for your email to the Group Insurance Board (Board) regarding covering antiobesity medications (AOMs).

The Board has been discussing adding AOM coverage to the non-Medicare pharmacy formulary since 2022. The issue that the Board continues to run into for coverage of AOMs is the drugs high cost and lack of independent scientific studies that show the cost of AOMs can be offset by long-term medical savings. There needs to be long-term medical savings to offset the cost of AOMs because Wis. Stat. § 40.03(6)(c) allows the Board to add benefits to the Group Health Insurance Program (GHIP) that are not mandated by law only if it can be demonstrated that the addition will result in savings. If no saving can be shown, then the Board must reduce benefits to allow for the addition of the new benefit.

Currently, the Board's actuary estimates that even with some medical savings and rebates it will cost the Board a little over \$31 million in the first year to have AOM coverage for all non-Medicare members.

At the Board's meetings on <u>August 14, 2024</u>, and <u>November 13, 2024</u>, I presented cost analyses and options, which included increasing member premiums and out-of-pocket costs, to allow the Board to add AOM coverage while still adhering to the statute. Also in the <u>August 14, 2024, memo</u> on pages 7-10 you will see a breakdown of how other states including those surrounding Wisconsin handle AOM coverage for public employees. It is pointed out that states such as Iowa, North Carolina and West Virginia did cover AOMs for public employees but had to end coverage due to the high cost of the drugs. Since August of 2024, Colorado <u>has proposed ending coverage of the drugs</u> for their public employees due to the high cost.

The Board will consider 2026 GHIP changes, including the potential addition of AOM coverage, at its meeting on March 15, 2025. The agenda, memos, and presentations for that meeting will be posted on the Department of Employee Trust Funds' <u>"Group</u>"

Insurance Board Meeting Agendas and Materials" 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,

Tricia Sieg, Pharmacy Benefits Program Manager Office of Strategic Health Policy Department of Employee Trust Funds