JOINT CERS AND KRS RETIREE HEALTH COMMITTEE
October 21, 2024, 10:00 a.m. EST
Live Videoconference/Facebook Live Agenda

1. Call to Order – *Jerry Powell*
2. Opening Video Teleconference Statement – *Office of Legal Services*
3. Roll Call – *Sherry Rankin*
4. Public Comment – *Sherry Rankin*
5. Approval of Committee Minutes from September 3, 2024 * - *Jerry Powell*
6. Humana Presentation – *Humana Tracey Garrison/Carrie Lovell*
    a. 2025 Pharmacy Drug List Changes
    b. Pharmacogenomics
    c. Humana Updates
7. Other Business – Open Enrollment - *Abby Sutherland/Connie Pettyjohn*
8. Adjourn* - *Jerry Powell*

**CERS and KRS Board Action Required*

KENTUCKY PUBLIC PENSIONS AUTHORITY
JOINT CERS-KRS BOARD OF TRUSTEES
RETIREE HEALTH PLAN COMMITTEE MEETING
SEPTEMBER 3, 2024, at 10:00 A.M., E.S.T.
VIA LIVE VIDEO TELECONFERENCE

At the September 3, 2024, Regular Meeting of the Retiree Health Plan Committee of the Joint CERS and KRS Boards of Trustees, the following members were present: CERS – Jerry Powell (Chair) and J.T. Fulkerson; KRS – Keith Peercy and Dr. Crystal Miller. Staff members present were CERS CEO Ed Owens, III, KRS CEO John Chilton, Rebecca Adkins, Erin Surratt, Michael Board, Vicki Hale, Carrie Bass, Connie Pettyjohn, Abby Sutherland, Michael Lamb, Brian Towles, Shaun Case, and Sherry Rankin. Others in attendance included Tracey Garrison, Larry Loew, and Carla Whaley with Humana and Danny White, Mike Reed, and Krysti Kiesel with GRS.

Mr. Powell called the meeting to order.

Mr. Boards read the Opening Video Teleconference Statement.

Ms. Rankin called Roll.

There being no ***Public Comment***, Mr. Powell introduced the agenda item ***Approval of Committee Minutes – May 8, 2024*** *(Video 00:08:41 to 00:09:16).* A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to approve the minutes as presented. The motion passed unanimously.

Ms. Pettyjohn presented information to ***Establish 2025 Health Insurance Components and Health Insurance Rate to be paid by KPPA to be used to define 100% Contribution Rate for Non-Medicare Retirees***. (*Video 00:09:16 to 00:29:55)*

The following motions were voted on regarding the Non-Medicare Eligible Health Insurance Plans, Kentucky Employees' Health Plan (KEHP):

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to approve the 2025 Health Insurance Components recommendation of the LivingWell PPO Plan with the $949.04 premium. The motion passed unanimously.

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to approve the LivingWell Basic CDHP Plan as the 2025 Default Plan. The motion passed unanimously.

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to allow the Cross-Reference Option for Retirees during the 2025 Open Enrollment as recommended. The motion passed unanimously.

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to set the premium for the KEHP Medicare Secondary Payer (MSP) Plan at the rate recommended. The motion passed unanimously.

Next, Ms. Tracey Garrison with Humana presented the Humana Medicare Advantage rates and information for PY2025 Medicare-Eligible Retirees including information from Mike Reed, Krysti Kiesel, and Danny White from GRS regarding PY2025 KPPA Medical Only and Actuarial Analysis of Medicare Advantage Premium Impact. *(Video 00:29:55 to 00:56:44)*.

The following motions were voted on regarding Approval of the Medicare Advantage (MA) Renewal/Premium.

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to choose the Medical Only Plan for PY2025. The motion passed unanimously.

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to set the contribution rate for PY2025 at $191.95. The motion passed unanimously.

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- A motion was made by Mr. Fulkerson and seconded by Mr. Peercy to approve the premium for the Medicare Advantage Premium at $144.91 and no cost for the Essential Plan. The motion passed unanimously.

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to set the PY2025 Medical Only premium at $191.95, Essential Mirror premium at $202.69. and the Premium Mirror at $341.59. The motion passed unanimously.

- A motion was made by Mr. Peercy and seconded by Mr. Fulkerson to select the Medical Only Plan as the Default Plan for PY2025. The motion passed unanimously.

- A motion was made by Mr. Fulkerson and seconded by Mr. Peercy to allow enrollment for No Part B and exceptions as presented. The motion passed unanimously.

There being no further business, Mr. Powell ***adjourned*** the meeting.

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CERTIFICATION

I hereby certify that I was present at this meeting, and I have recorded above the action of the Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in connection with this meeting.

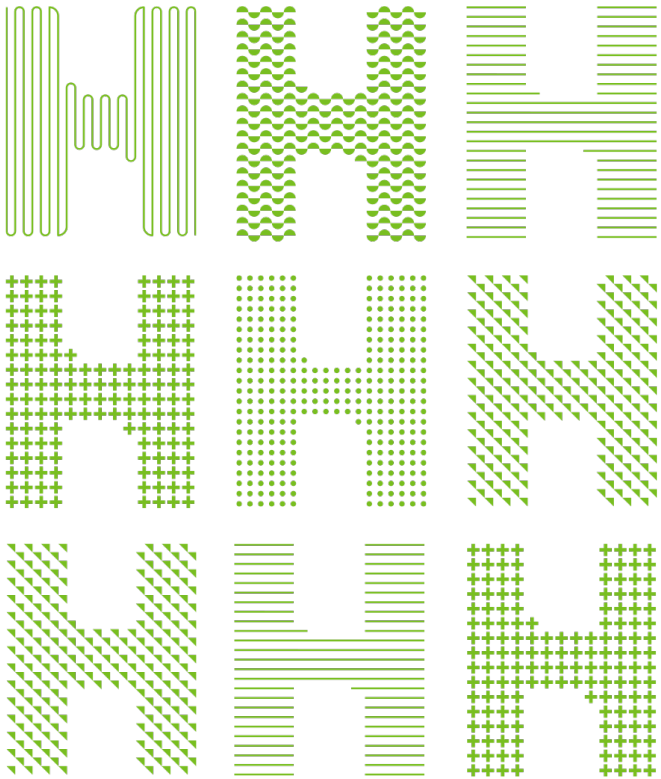
_____
Recording Secretary

I, Jerry Powell, the Chair of the Joint Retiree Health Plan Committee of the Board of Trustees of the County Employees Retirement System and the Kentucky Retirement Systems, do hereby certify that the Minutes of the meeting held on September 3, 2024, were approved by the Joint Retiree Health Plan Committee on October 21, 2024.

_____
Committee Chair

I have reviewed the Minutes of the September 3, 2024, Joint Retiree Health Plan Committee meeting for form, content, and legality.

_____
Executive Director
Office of Legal Services



Humana

Kentucky Public Pensions Authority

Retiree Health Plan Committee Meeting

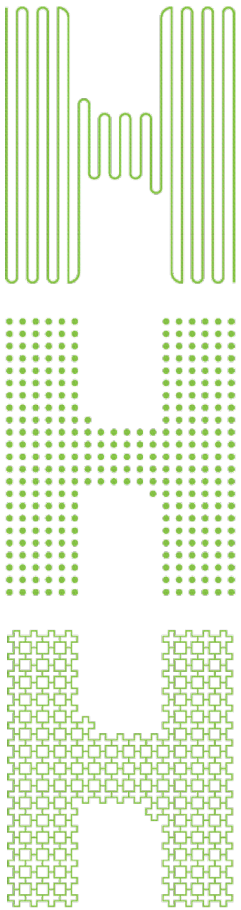
October 21, 2024

KPPA
Kentucky Public Pensions Authority

CERS
County Employees Retirement System

KERS
Kentucky Employees Retirement System

SPRS
State Police Retirement System



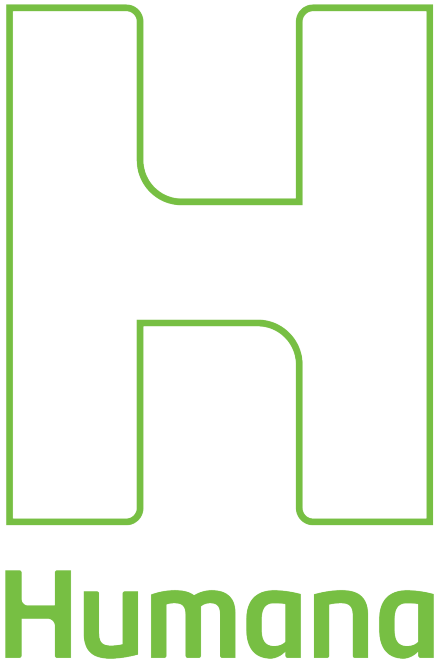
Agenda

01 | 2025 Drug List Changes and Pharmacy Updates

02 | Pharmacogenomics

03 | Questions/ Discussion

Humana.



2025 Drug List Changes and Pharmacy Updates

Why Make Annual Drug List Changes?

The drug list is updated on an annual basis to ensure placement of drugs in the most appropriate and cost-effective tier in compliance with contracts and government regulations. Changes help ensure safety, control cost and mitigate the pharmacy trend.

New Products

New medications are developed and enter the market for the first time.

Generic Availability

Brand name medications lose patent protection and generics become available.

Clinical Updates

Medications may gain new indications, have changes in dosing guidelines or in prescribing recommendations. New need to prevent potential for “off label” usage.

Price

The price of a medication may change.

Summary of 2025 Impact for KPPA

Edit	Member Impact	% Member Impact**	Script Impact
Not Covered	189	0.3%	312
Prior Authorization	8347	13.6%^	17,441
Step Therapy	425	0.7%	792
Negative Tier Change	1780*	2.9%	2790
Total	**10,741**	**17.5%^**	**21,335**
Positive Change	1436	2.3%	2584

** 253 of 1780 members will not experience a cost difference because Tier 3 to Tier 4 is neutral. Members may experience a day supply change because Tier 4 is available only in a 30-day supply.*
^ Without the GLP-1 PA, total negative impact is only 6.3% instead of 17.5%
*** % members based on 61,469 members*

Drug List Change Details – Top Impacts

Coverage Change projected negative impact: 189 members

- Sevelamer (chronic kidney disease) : 86 members
- Calcium Acetate (chronic kidney disease): 54 members
- Both will be covered under Part B

Prior Authorization projected impact: 8347 members

- GLP-1s (Bydureon, Byetta, liraglutide, Mounjaro, Ozempic, Rybelsus, Trulicity, Victoza): 6850 members
- Restasis (dry eye disease): 724 members
- Testosterone Injection (replacement therapy for non-age related medical conditions): 367 members

Step Therapy projected impact: 425 members

- Clenpiq Solution (bowel prep): 138 members
- Alphagan P Eye Drops (glaucoma, ocular hypertension): 68 members
- Brimonidine Tartrate 0.15% Solution (glaucoma, ocular hypertension): 65 members

Tier Change projected impact: 1780 members

- Restasis (dry eye disease): 724 members
- Victoza (GLP-1 for diabetes): 168 members
- Wegovy (GLP-1 for preventing heart attack/stroke in obese patients with heart disease): 168 members

Preparing for Change

Smart Summary Communication

Members will receive Drug List Change messaging in October, November, December, and January based on the prior month's claims

Member Letter

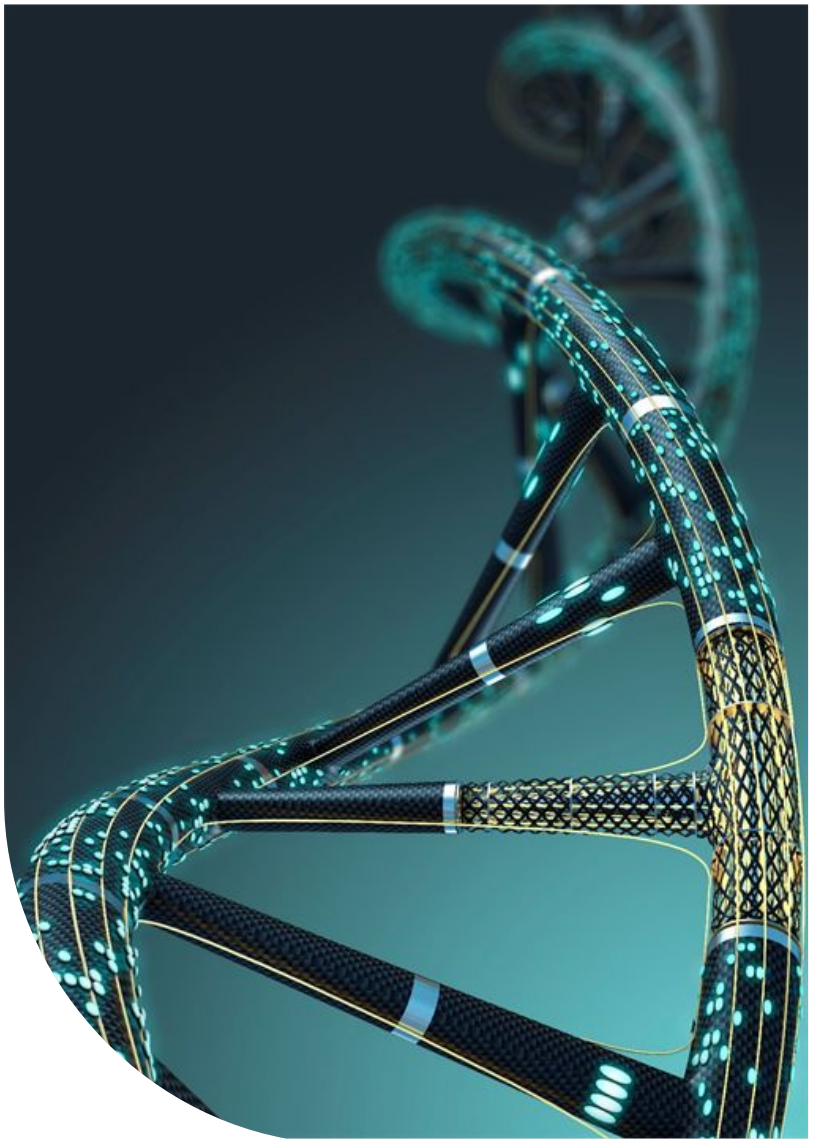
Members impacted by negative drug list changes for 2025 will receive a personalized letter in mid-late November 2024

Transition Fill

A 30-day transition supply is available to members impacted by changes* to Part D covered drugs eligible for transition.
(*Tier changes still apply)

Pharmacogenomics

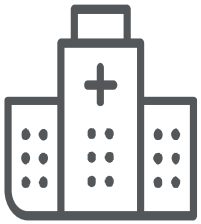
October 2024



Humana.

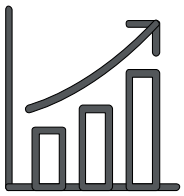
Humana Pharmacogenomics Pilot

Humana conducted a pilot of MAPD Individual Medicare members beginning in mid-2021 and concluding in early 2023.



Pilot Objectives

- ✓ Evaluate the value of genetic testing to guide therapy decisions
- ✓ Evaluate impact on longer term outcomes such as medication adherence, hospital admissions, readmissions, and cost of care
- ✓ Determine if the process should be expanded on a larger scale and applied to broader Humana membership



Results were evaluated in Q4 2023 through Q2 2024 to determine if outcomes and return on investment supported a larger rollout.

Pharmacogenomics Pilot Workflow

Identify

Score + Prioritize High-risk Members

- Stratify the population
- Create a member-ranked population report
- **Provides a targeted intervention list versus performing mass testing**

Enroll

Engage, Enroll + Test

- Create engagement communications
- Contact members to enroll in program
- Ship test kits and members self test

Intervene

Optimize Medications

- Process PGx analysis and PGx trained pharmacists review results
- Notify members of results
- Provide intervention recommendations to providers with EMR and phone/email

Monitor

Drive Outcomes

- Reconcile, pursue open interventions
- Monitor for medication changes, ADRs
- **Quantify Total Cost of Care Savings**

Member Engagement

Drug – Gene Interactions Identified in Pilot Population	
Analgesic	Gastroenterology
Anticoagulant	Oncology
Anti-inflammatory	Psychiatry
Cardiovascular	Urology

Letter			MyChart			Phone		
# Sent	Tests Completed	Engagement Rate	# Sent	Tests Completed	Engagement Rate	# Called	Tests Completed	Engagement Rate
11,115	1,043	9.4%	6,820	710	10.4%	1,522	166	10.9%

Member engagement on tests completed = 9.4% (1,043/11,115)

To note: MyChart and Phone member contacts are a subset of the total letters sent and not incremental

Pharmacogenomics Feasibility Test & Learn Outcomes

Observations

- Low member engagement in participation – multiple member stratifications to reach target member enrollment
- Provider acceptance of the recommended interventions was low~ 6% acceptance rate
- Outcomes lacked statistical significance to demonstrate positive impacts and value
- Current literature does not provide sufficient evidence of a positive ROI to justify scaling

2024 Medicare Coverage

- ✓ CMS does not cover pharmacogenomics tests for predictive purposes or broad panel testing.
  - Predictive testing is considered “screening” when a member has no signs or symptoms.
  - Broad panel tests look for variations in multiple genes affecting a wide array of medications .
  - Single gene tests are more focused and look for genetic interactions between specific genes and medications.

- ✓ CMS does cover single drug-gene testing for some medications when medically necessary.
  - Example:
    - According to FDA approved labeling for seizure medications such as carbamazepine (Tegretol) and phenytoin (Dilantin), genetic testing should be done for patients with Asian ancestry.
    - Populations in Southeast Asia have a higher risk for potentially life-threatening skin conditions that may result from these medications due to the presence of a particular gene/genetic mutation.
  - Covered testing must be ordered by a physician or qualified non-physician practitioner.
  - Member-initiated tests frequently advertised online or on TV are not covered by Medicare.

- ✓ At this time we are not aware of any changes to CMS coverage for 2025
  - ✓ Article - Billing and Coding: Molecular Pathology and Genetic Testing (A58917) (cms.gov)

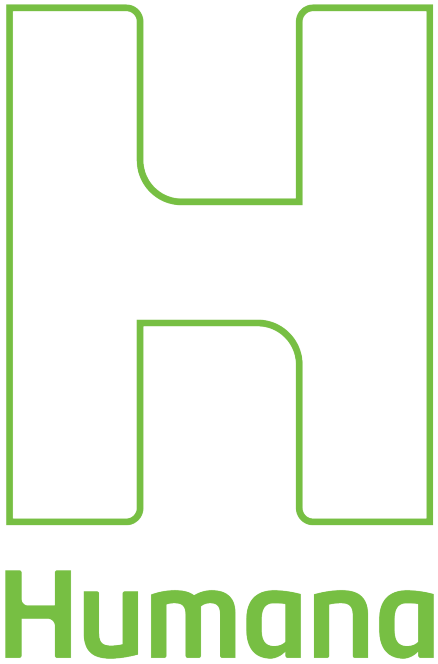
Appendix - Pharmacogenomics

CMS Language – Pharmacogenetics Testing Coverage

Covered Indications

Pharmacogenetics testing will be considered medically reasonable and necessary if:

1. *The patient has a condition where clinical evaluation has determined the need for a medication that has a known gene-drug interaction(s) for which the test results would directly impact the drug management of the patient's condition;* ***AND***
2. *The test meets evidence standards for genetic testing as evaluated by a scientific, transparent, peer-reviewed process and determined to demonstrate actionability in clinical decision making by CPIC guideline level A or B[1]; or is listed in the FDA table of known gene-drug interactions where data support therapeutic recommendations or a potential impact on safety or response or the FDA label; https://www.fda.gov/drugs/science-and-research-drugs/table-pharmacogenomic-biomarkers-drug-labeling ; https://www.fda.gov/medical-devices/precision-medicine/table-pharmacogenetic-associations*

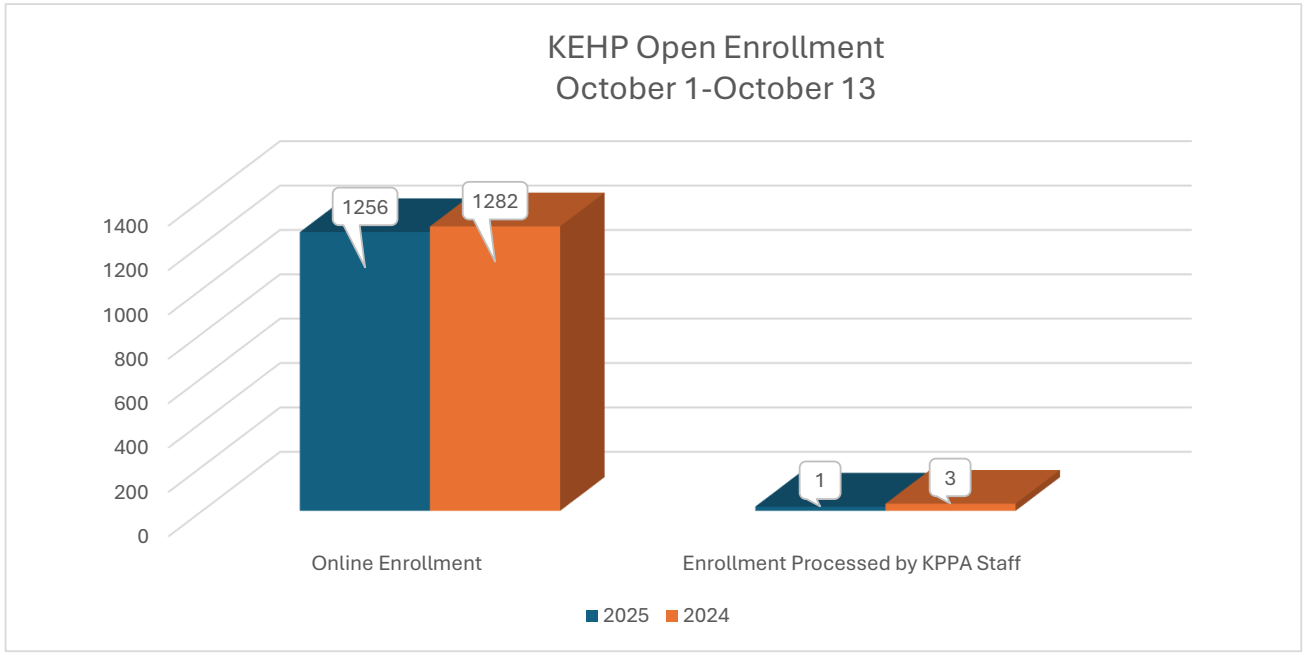


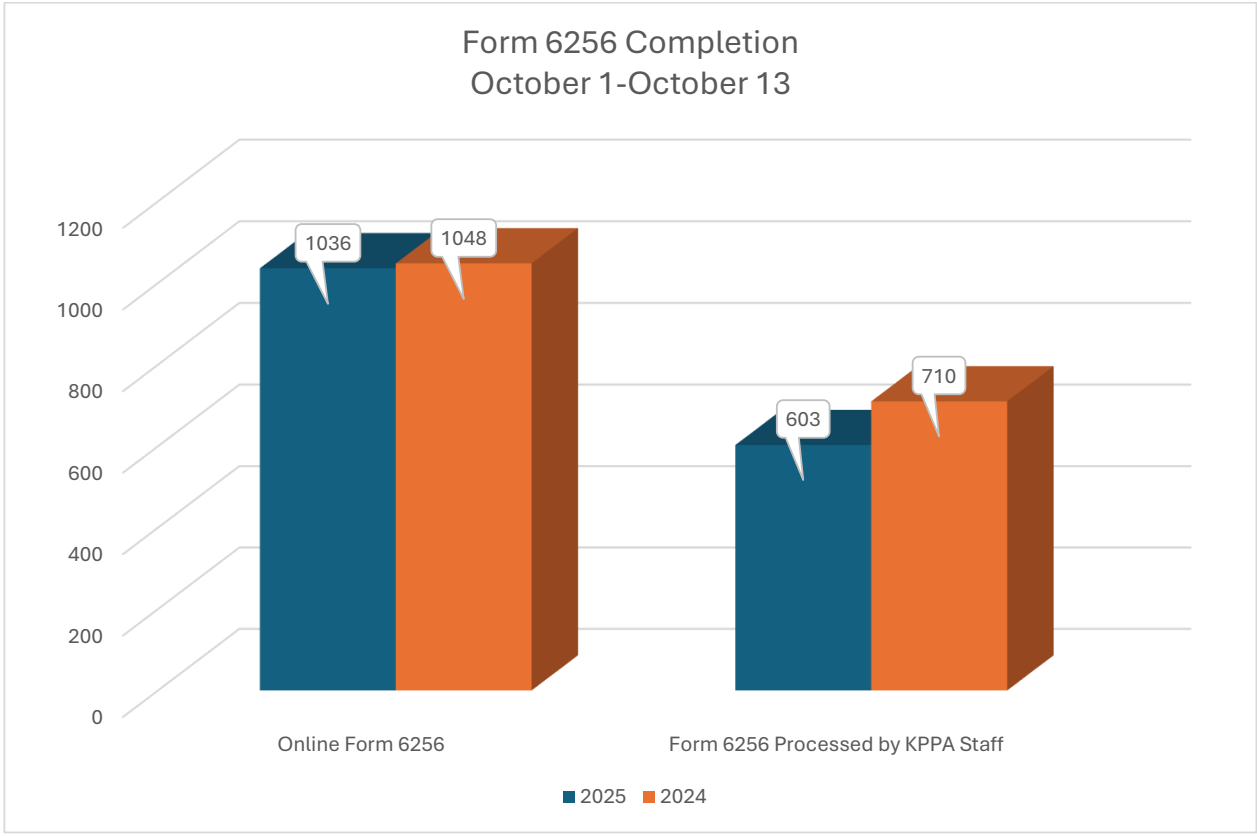
Questions/ Discussion

Thank you!

Humana®

2025 Open Enrollment Update




Form 6256 Completion
October 1-October 13
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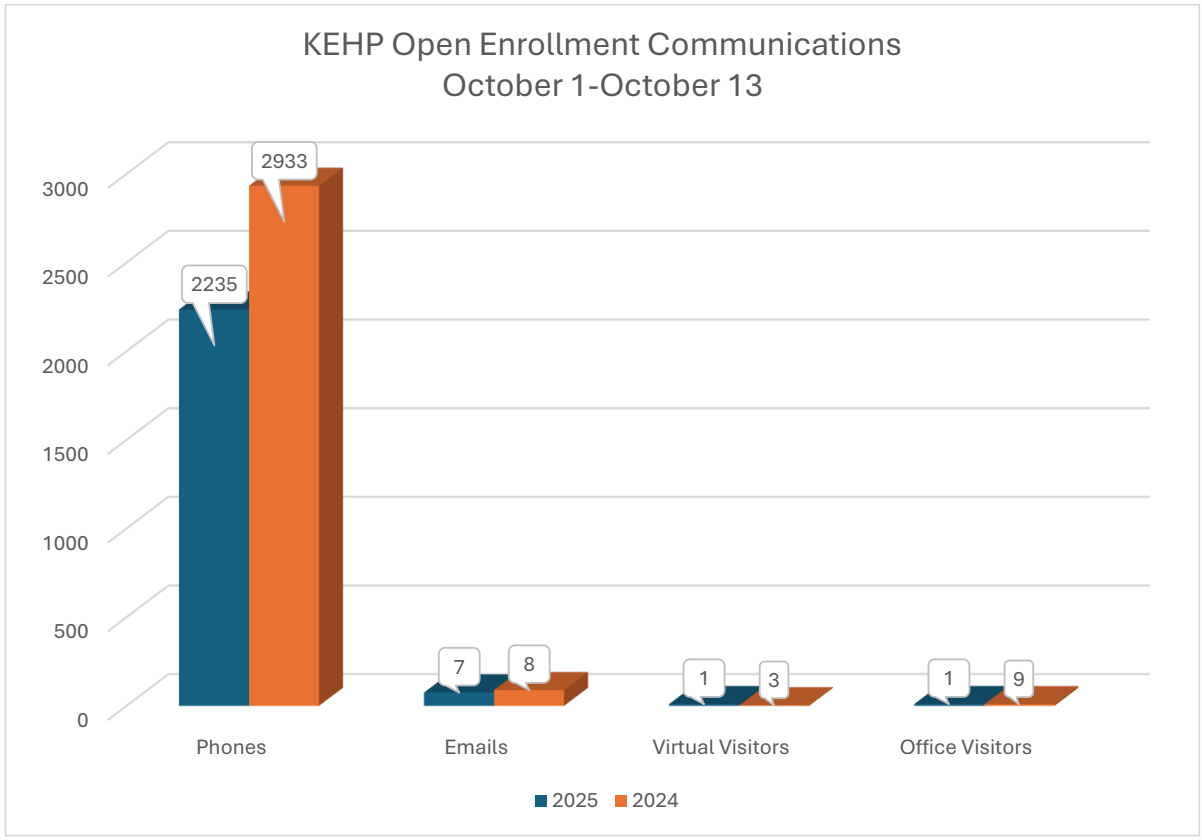
1000
800
600
400
200
0
1036
1048
603
710
Online Form 6256
Form 6256 Processed by KPPA Staff
2025
2024


KEHP Open Enrollment Communications
October 1-October 13
3000
2500
2000
1500
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500
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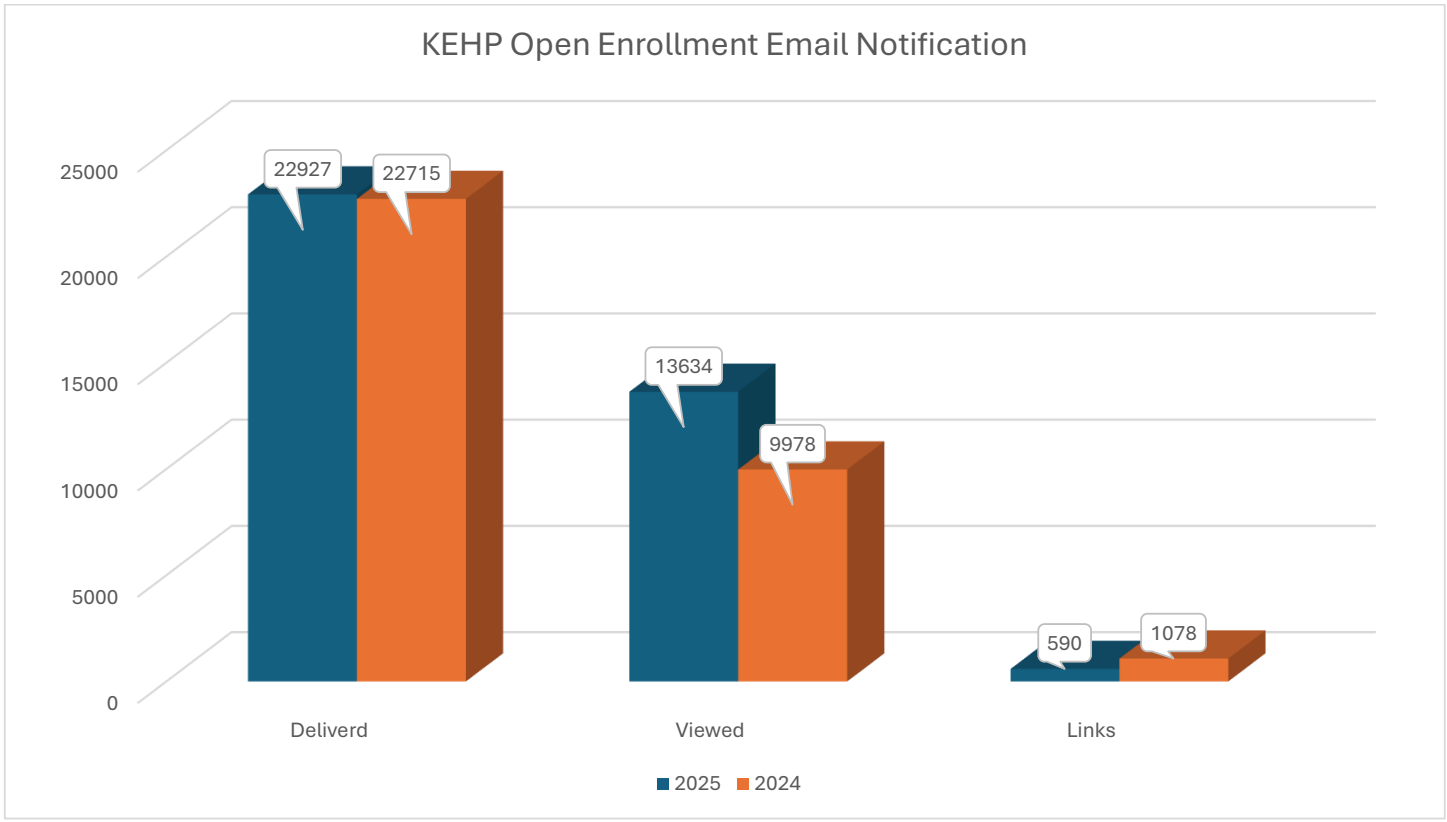
2235
7
8
1
3
1
9
Phones
Emails
Virtual Visitors
Office Visitors
2025
2024


KEHP Open Enrollment Email Notification
25000
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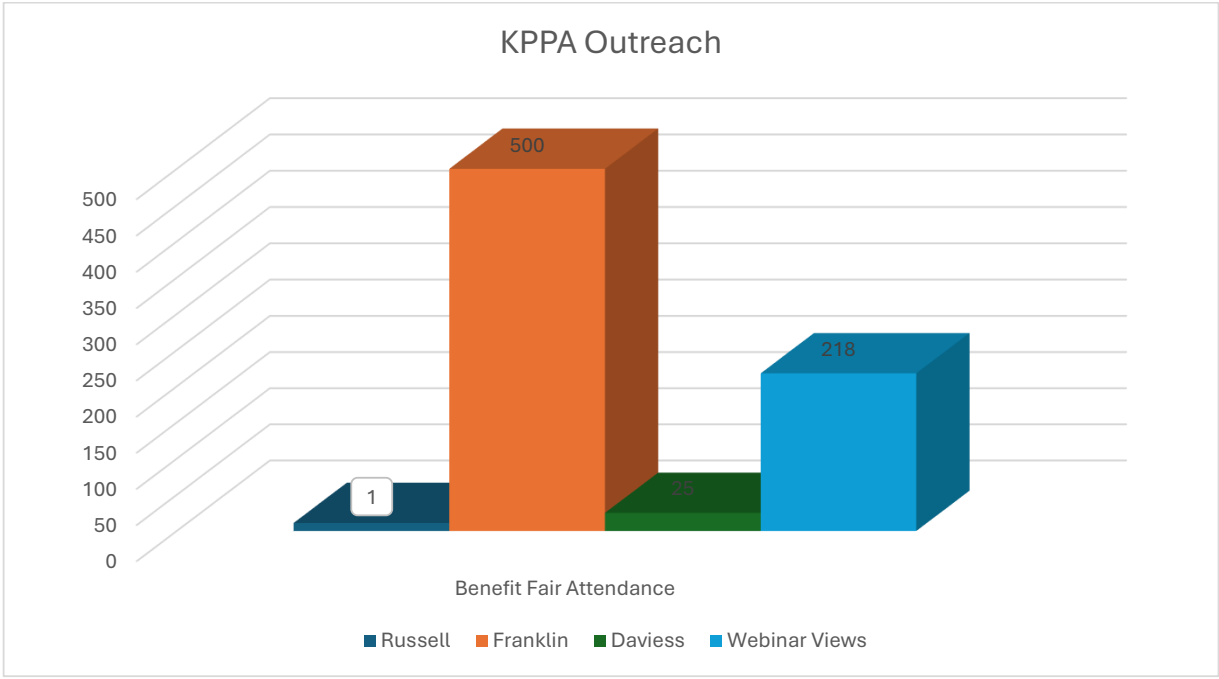
Links
2025
2024


KPPA Outreach
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Benefit Fair Attendance
Russell
Franklin
Daviess
Webinar Views