
The Newsletter of the Kingston Trust Fund



THE TRUSTEE

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The Challenges Facing Health Plans

There are critical and rapidly evolving challenges facing all health plans involving the clinical impact of diabetes and weight loss medications. The Trust plan does have a diabetes program but does not cover weight loss medications. Most insurance plans, including Medicare Part D, exclude coverage of weight loss drugs. As some of these drugs showed efficacy in both areas, the Trust implemented a pilot program covering certain weight loss drugs when medical necessity and prior authorization were established. Then, there was a significant and growing impact of novel diabetes and weight loss medications, particularly GLP-1 receptor agonists (semaglutide) and GIP/GLP-1 receptor agonists (tirzepatide). They include prominent medications such as Ozempic, Wegovy, Mounjaro, and Zepbound. While these medications offer profound clinical benefits for many patients, their widespread adoption and high cost present substantial financial and logistical considerations that necessitate proactive and strategic responses to ensure the long-term sustainability and efficacy of our health plan.

The escalating prevalence of type 2 diabetes and obesity continues to drive demand for effective treatments. The advent of highly effective GLP-1 RAs has revolutionized the management of these conditions, demonstrating remarkable efficacy in glycemic control, weight reduction, and even cardiovascular risk reduction. However, the associated costs, often ranging from \$1000 - \$1,500 or more per patient per month, are creating unprecedented pressure on pharmaceutical budgets and overall healthcare expenditures. The Kingston Trust Fund health plan is not immune to these impacts. Without a comprehensive and forward-thinking strategy, this trend poses several risks:

- **Unsustainable Cost Growth:** Unchecked utilization of these high-cost medications will lead to a dramatic increase in pharmacy spend, potentially diverting resources from other essential healthcare services and impacting premium stability.
- **Underutilization of Foundational Interventions:** An over-reliance on pharmacotherapy may inadvertently overshadow the importance of lifestyle modifications (diet and exercise), which remain foundational for long-term health and are often more cost-effective.
- **Rx Benefit Management Complexities:** The rapid introduction of new agents and expanding indications require sophisticated formulary management, prior authorization processes, and utilization management strategies to ensure appropriate use.

To effectively counter these impacts and ensure the responsible stewardship of healthcare resources, to stay ahead of the curve, the Trust will be utilizing guidelines that include:

1. **Clinical Criteria and Prior Authorization:** Developing and rigorously enforcing evidence-based clinical criteria for prescribing these medications, ensuring they are used for appropriate indications and in patients most likely to benefit. This includes clear guidelines for initiation, continuation, and discontinuation.
2. **Step Therapy Protocols:** Implementing step therapy programs that encourage the use of equally effective but lower-cost alternatives, including generics, where appropriate, before progressing to higher-cost GLP-1's and GIPs.
3. **Lifestyle Interventions and Integrated Care:** Promoting and incentivizing participation in comprehensive lifestyle modification programs (e.g., medical nutrition therapy, exercise programs, behavioral health support) as a primary and ongoing component of diabetes and weight management, either prior to or in conjunction with pharmacotherapy.
4. **Value-Based and Outcomes-Based Agreements:** Extending payment models already in effect that tie reimbursement to demonstrated patient outcomes.
5. **Patient Education and Engagement:** Providing patients with comprehensive information about treatment options, including the importance of adherence, lifestyle modifications, and the potential long-term benefits, effects, and costs associated with these medications.
6. **Ongoing Review:** Continuously evaluating the efficacy, safety, and cost-effectiveness of all available diabetes and weight loss medications.

The rise of these powerful medications presents both a remarkable opportunity to improve health outcomes and a significant challenge to our healthcare system's financial equilibrium. By proactively addressing these issues through a multi-faceted approach, we can ensure that our health plan remains resilient, continues to provide high-quality care, and effectively manages the long-term health of our members. Therefore, the following diabetes and weight loss utilization protocols will be effective July 1, 2025:

GLP-1 Utilization Policy Effective July 1, 2025

As of July 1, 2025, the Trust will institute the following protocol and requirements in order to obtain and continue eligibility for the GLP-1 drug approval.

Diabetes	Physician confirmation of Type II diabetes diagnosis And Prior non-GLP-1 (metformin) anti-diabetic medication use or intolerance
Weight Loss Management	Physician confirmation of BMI ≥ 30 kg/m ² or BMI ≥ 27 kg/mg ² + comorbidity (i.e. hypertension, type 2 diabetes, dyslipidemia) and Evidence of Behavioral modifications (diet & exercise)

BMI = Body Mass Index

- **Zepbound & Wegovy copay increasing to \$100/month (\$200/month at retail) net of copay card assistance.**

- **At week 68 of treatment the member must have achieved >10% weight loss & have a current BMI >25 kg/m² to continue therapy.**

CanaRx Formulary Changes

The KTF CanaRx drug formulary has changed effective May 1, 2025. Two medications, Xarelto and Eliquis, will no longer be available through CanaRx. These drugs will be available through Manifest mail-order or local pharmacies. If you or a family member currently receives either of these medications from CanaRx, you will be receiving a phone call to discuss how to proceed. Please expect this call in the coming weeks and don't hesitate to contact us if you have any questions or concerns. We will continue to use CanaRx for other medications on the formulary. In the coming months, there may be other changes to the formulary. If this happens, we will notify members. If you have any additional questions- call Four Corners Health at 866-443-9331 for help.

Retiree Dental Premium Holiday

Retiree members currently enrolled in the **Dental insurance plan** will not receive the traditional purple dental billing in June this year. At the recent Trust meeting, the trustees voted to institute a premium holiday for the 2025-2026 plan year. This means retirees who are currently covered by the dental plan, **will not** have a premium payment for dental insurance for the 2025-2026 year. All new retirees should follow **the instructions for maintaining health and dental benefits in retirement** listed in the **Welcome to Retirement** letter they receive.

June is Open Enrollment

June is open enrollment for Health Insurance coverage The Trust has scheduled an Open Enrollment Information session at the Mid-Hudson Regional NYSUT Conference Center located at 201 Stockade Drive, Kingston, on Wednesday June 11, from 4-6:00 PM. If you would like to discuss changes or options, or plan to attend please email Lauri Naccarato at lauri@ktftrustfund.com.

Colonoscopies

Screening colonoscopies are covered every 5 years after age 45 and no precertification is required if the procedure is performed in an office setting. Diagnostic colonoscopies (non-preventative) require precertification for procedures performed in both an ambulatory surgical center and outpatient hospital.

Gym Reimbursements

When submitting gym reimbursement for 2024, please send claims to Syntonic Systems/ KTF, 111 John St. Suite 450, New York, NY 10038, until June 30, 2025. After that date, all reimbursements will be sent to MagnaCare at PO Box 1001, Garden City, NY 11530. The address is also on the front of your medical card.

In Memoriam

Elizabeth Dwyer Ryan

Kenneth Fried

Deborah Wilcox