

MEDICAID OVERSIGHT AND ADVISORY BOARD

2nd Minutes of 2026

February 23, 2026

Call to Order and Roll Call

The second meeting of the Medicaid Oversight and Advisory Board was held on February 23, 2026, at 12:00 PM in Room 154 of the Capitol Annex. Senator Julie Raque Adams, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Ken Fleming, Co-Chair; Senator Julie Raque Adams, Co-Chair; Senators Donald Douglas, Karen Berg, Danny Carroll, Stephen Meredith, and Craig Richardson; Representatives Samara Heavrin, Kimberly Poore Moser, Wade Williams, and Lisa Willner; and William Baker, Laura Sudkamp (proxy for Allison Ball), John Hicks, Lisa Lee, Sheila Schuster, Steven Stack, Tom Stephens, Vickie Yates Glisson, Hollie Harris, Joe Petrey, and Steve Shannon.

Guests: Wesley Duke, General Counsel, Cabinet for Health and Family Services (CHFS); Tracy J. Sims, Executive Director of Corporate Affairs for Cardio-Metabolic Health, Eli Lilly and Company; and Brittain C. Jackson, PharmD, Owner, Columbia Pharmacy.

LRC Staff: Chris Joffrion, Cameron Franey, and DJ Burns.

Approval of Minutes

A motion to approve the minutes from the January 12, 2026, meeting was made by Representative Heavrin, seconded by Senator Meredith, and approved after a voice vote.

Discussion of Medicaid Coverage of GLP-1 Drugs for Weight Loss

A. Update from Department for Medicaid Services on Current Policy and Proposed Policy Changes

Lisa Lee, Commissioner, Department for Medicaid Services (DMS), CHFS, gave an overview of DMS' current coverage policy and breakdown of paid claims for GLP-1 drugs and other weight management drugs.

In response to Co-Chair Fleming, Commissioner Lee stated the \$234 million in paid pharmacy claims were for calendar year 2025.

In response to Chair Adams, Commissioner Lee stated analysis is ongoing to determine the fiscal relief GLP-1s have on other prescribed medications and results should be available in the coming months.

In response to Representative Moser, Commissioner Lee stated the total number of pharmacy rebates in 2025 was \$90.8 million.

In response to Co-Chair Fleming, Commissioner Lee stated the figures referenced in her testimony would be sent to staff for disbursement to members after the meeting.

In response to Senator Douglas, Commissioner Lee stated GLP-1s were approved in 2005 for treatment of diabetes. She stated numerous health outcomes are included in data being compiled for patients on GLP-1 drugs and although data is available for numerous years, the Medicaid population is unique as many recipients move in and out of the system. Secretary Stack stated, although data exists dating back to 2005, only the last five to seven years is applicable to the health outcomes being looked at.

In response to Senator Berg, Secretary Stack stated studies on the impact of GLP-1 drug recipients is warranted and valuable, but Rural Health Transformation Program funds will prioritize educating diabetic and obese patients on the importance of diet and exercise.

In response to Senator Richardson, Commissioner Lee stated GLP-1 drugs are only approved with an underlying condition and that medication along with diet and exercise helps alleviate complications with the condition. Wesley Duke, General Counsel, CHFS, stated what happens when a patient is taken off GLP-1 drugs is better answered by a clinician or provider.

In response to Co-Chair Fleming, Mr. Stephens stated he would follow up with managed care organization (MCO) information pertaining to GLP-1 drugs being complimentary to diabetes and weight loss among each MCO's members.

B. The Pharmaceutical Manufacturer's Perspective

Tracy J. Sims, Executive Director of Corporate Affairs for Cardio-Metabolic Health, Eli Lilly and Company, discussed Eli Lilly's participation in the BALANCE and GENEROUS models through Center for Medicaid Services (CMS) facilitated supplemental rebates for GLP-1 drugs.

In response to Co-Chair Fleming, Mr. Sims stated it varies by state whether weight loss surgery is covered by Medicaid and a patient's body mass index determines if surgery

and medication is used in combination or if medication alone will work. He stated a clinician would determine the fine line between medication or surgery, but evidence-based treatment guidelines are available.

In response to Senator Berg, Mr. Sims stated the Institute for Clinical and Economic Review released a report last year on the cost effectiveness of GLP-1 medications and zepbound was found to be highly cost effective. He stated peer reviews are available for the cost effectiveness of GLP-1 drugs for Medicaid and he could provide the literature review conducted by Eli Lilly after the meeting.

In response to Senator Richardson, Mr. Sims stated when treating obesity, it is important to think of long-term treatment in the same way as blood pressure or diabetes.

In response to Senator Meredith, Mr. Sims stated the \$245 per month cost represents a high value in the context of the United States. He stated Eli Lilly has agreed to the GENEROUS model pricing for Medicaid programs.

In response to Chair Adams, Mr. Sims stated the injectable medication is a dual agonist and the forthcoming oral medication is a single agonist.

In response to Mr. Shannon, Mr. Sims stated pricing in the BALANCE program is set for three to five years and generally the price for medications reduces over time.

C. The Independent Pharmacists Perspective

Brittain C. Jackson, PharmD, Owner, Columbia Pharmacy, testified on the Medicaid reimbursement rate for GLP-1 drugs including high acquisition costs and low gross margins.

In response to Dr. Schuster, Mr. Jackson stated in his opinion Medicaid coverage for GLP-1 drugs for weight loss is coming soon.

Public Comment

Emily Beauregard, Executive Director, Kentucky Voices for Health, testified on provisions within 2026 RS HB 2 that Kentucky Voices for Health support and oppose.

Adjournment

There being no further business, the meeting was adjourned at 1:30 PM.