

July 23, 2024

TO: Board of Trustees

FROM: Sam Watts & Dr. Jenny Vogel

RE: Weight Loss Drugs/RFI

The State Health Plan (Plan) issued a Request for Information (RFI) to the marketplace regarding weight loss therapies. The purpose of the RFI was to collect information, recommendations, and potential solutions for the Plan to consider providing benefit coverage of GLP-1 medications for weight loss to Plan members in a financially sustainable way. The RFI was open from April 19 through May 31. However, we have freely allowed late submissions since we did not require respondents to provide a proposed contract with a binding offer.

All of the submissions have been placed online on the Plan's website at <https://www.shpnc.org/blog/2024/03/07/statement-regarding-glp-1-coverage>. We will offer an opportunity to respondents who addressed the majority of our requests in the RFI to provide an in-person presentation with a Q&A at the Department of State Treasurer in early September. Additionally, the Plan would like to extend an invitation to any board member who would like to participate. Please let us know if you wish to be invited to these presentations.

Summary:

Nineteen organizations have submitted responses, including:

- Fourteen program options:

-All of these programs included telehealth/virtual aspects: via weight measurement at home, mobile app-based discussions, nutrition coaching, etc. (*Switchbridge LLC, Heuro Inc, Abacus Health Solutions LLC, Virta Medical, TruDataRx, Intellihealth, Castlight Health Inc, Express Scripts Inc, Form Health, Mako RX & Dooable Health, Caremark PCS Health LLC, Waltz Health, AmVenture X Inc dba Bio Coach, Deloitte Consulting LLC*)

-Thirteen clinical programs each with added monthly fees per engaged member

-One consulting program (*Deloitte*)

-One company offered to provide compounded medications as part of their program (*Mako*)

- Two compounding pharmacies – providing members of the Plan with compounded GLP-1, GIP-GLP-1 medications while these medications are included on the FDA shortage list (*OneFul Health, Signature RX*).

- Two respondents provided opposing arguments to the Board's decision without any feasible suggestions (*Alliance for Women's Health, Eli Lilly*)

- One organization recommended that the Plan request that the federal government invoke laws that provide for special use of patented products and to authorize manufacturers to produce generics (*Public Citizen*).

- No respondents were able to guarantee we could retain all manufacturer rebates.

The Plan analyzed the submissions by evaluating if the proposal answered each section outlined in the RFI. Three categories were assigned:

1. Does not address the majority of RFI requirements.
2. Addresses the majority of RFI requirements.
3. Policy recommendation or other statement.

There were 28 questions proposed to respondents. If respondents addressed 12 questions or less, we categorized them as “does not address the majority.” If respondents addressed more than 12 questions, we categorized them as “addressed the majority.” If respondents addressed more than 25 questions and provided a financially feasible approach for the Plan, we categorized them as a “policy recommendation.”

- Eight responses did not address the majority of RFI requirements.
- Eleven responses addressed the majority of RFI requirements.
- Zero responses were complete policy recommendations.

Ideas included in the proposals included:

- Restricting meds to specific Body Mass Indexes (BMIs)/tiering need of members based on BMI
- Focusing on weight loss and behavior modification
- Max of 12 months use of medication (de-prescribing after use)
- Restricting to American Board of Obesity Medicine (ABOM) certified prescribers
- \$0 cost share for members
- Step therapy (*Phentermine, Orlistat, Metformin*)
- Six months of lifestyle intervention

Ideas generally lacking in the proposals:

- Retention of rebates
- Cost savings for the Plan (added per member/per month fees)
- Avoiding virtual documentation

Innovative ideas included:

- Using manufacturer coupons (*Switchbridge*)
- Utilizing independent pharmacies to collect weight data (*Mako RX & Doable Health*)
- Removing patent protection (*Public Citizen*)

The Plan is extending an invitation to make an in-person presentation and answer questions to a subset of respondents who addressed the majority of RFI requirements. Board members are welcome to attend those presentations.