



GLP-1 Request for Information (RFI) Update

Board of Trustees Meeting

October 24, 2024



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES
A Division of the Department of State Treasurer



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

RFI Presentations

- The Plan invited a subset of respondents to provide in-person presentations during the month of September.
- 10 organizations were invited:
 - 6 conventional programs
 - Dietary/Lifestyle Programs
 - 3 compounding pharmacies
 - Providing GLP-1 medications to members during the FDA shortage
 - 1 combination conventional/compounding
 - Dietary/Lifestyle Program **and** providing GLP-1 medications to members during the FDA shortage

Conventional Programs

Benefits

Ability to customize Utilization Management to fit the Plan's needs.

Prior Authorization requirements:

Step therapy
Quantity limits

Ability to narrow the network of prescribers.

Obesity Medicine Specialists

Disadvantages

Virtually Accessed

Member behavior determines success of program.

Loss of Rebates

Costs

Typically, per enrolled member.

\$135 - \$195 per participating enrollee per month.

Some had implementation fees; some were PMPM.

Does not include GLP-1 cost.

Compounding Pharmacies

Benefits

Lower Cost

Individualized dosing options.

Disadvantages

Member disruption once GLP-1s are removed from FDA Shortage List.
10/2/2024: Tirzepatide has been removed from the FDA Shortage List
10/11/2024: FDA is reconsidering removing Tirzepatide from the FDA Shortage List

FDA has issued concerns about:
Counterfeit medications
Improperly compounded GLP-1s
Patients administering incorrect doses

Extra step for providers.

Difficulty integrating with member eligibility and accumulators (deductible/OOP).

Costs

\$200 - \$500 per 30-day supply

Varies based on strength.

Cost Estimates

- Reinstate GLP-1 Coverage: \$310M
- Conventional Wellness Program: \$170M – \$200M
- Compounding Pharmacy Program: \$100M – \$140M
- CVS Wellness Program (\$138 PMPM): \$172M

All amounts above are estimates based on assumed participation and GLP-1 utilization.

PPEPM = Per Participating Member Per Month

Next Steps

- Budget request to the General Assembly
- Issue Request for Proposals (RFP)
 - Better estimation of cost and potentially BAFOs to reduce fees.

BAFO = Best and Final Offer