

STATE OF NORTH CAROLINA Department of State Treasurer NC State Health Plan for Teachers and State Employees	REQUEST FOR INFORMATION NO. 270-20240419GLP Due Date: May 31, 2024, 2:00 PM ET
Refer <u>ALL</u> Inquiries to: Kimberly Alston, Contracting Agent	Issue Date: April 19, 2024 Commodity: 851017 Health Administration Services
E-Mail: Kimberly.Alston@nctreasurer.com with a copy to SHPCcontracting@nctreasurer.com	Using Agency Name: NC State Health Plan for Teachers and State Employees

MAILING INSTRUCTIONS: Respondents shall submit one (1) signed, original paper response, and one (1) electronic copy on a flash drive and one (1) redacted electronic copy on a flash drive, if applicable pursuant to Section 3.0.D. The address label shall clearly note the RFI number as shown below. It is the responsibility of the submitting entity to have the RFI in this office by the specified time and date of opening.

<u>DELIVERY ADDRESS</u>
RFI NO. 270-20240419GLP NC Department of State Treasurer State Health Plan Division Attn: Kimberly Alston, Contracting Agent 3200 Atlantic Avenue, Raleigh, NC 27604


NOTICE TO RESPONDENTS

Responses to this RFI will be received at the address above until May 31, 2024, 2:00 PM ET.

QUESTIONS

Email written questions no later than April 30, 2024, 5:00 PM ET to Kimberly.Alston@nctreasurer.com with a copy to SHPCcontracting@nctreasurer.com.

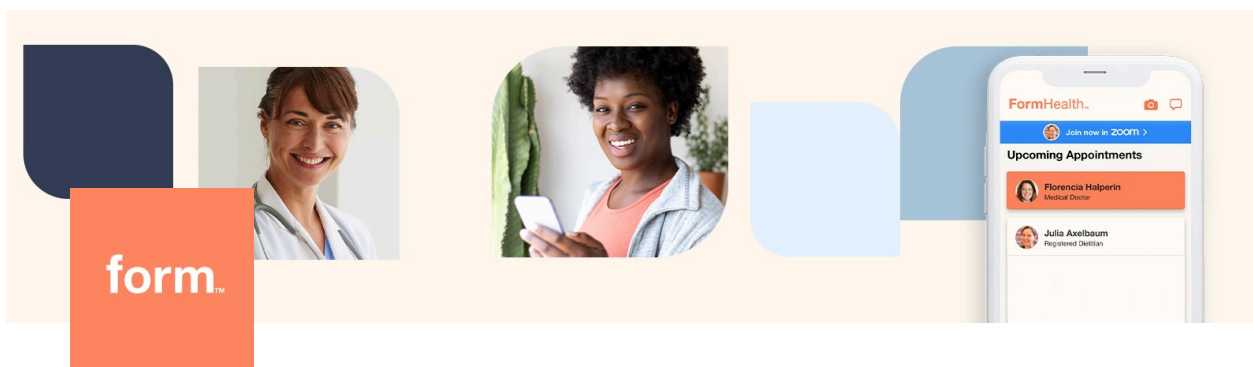
EXECUTION

RESPONDENT NAME: <i>FORM HEARD</i>	E-MAIL: <i>TOM.KAHL@FORMHEARD.CO</i>	
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TYPE OR PRINT NAME & TITLE OF PERSON SIGNING: <i>TOM KAHL, VP SALES</i>	FAX NUMBER: <i>617-928-8401</i>	
AUTHORIZED SIGNATURE: 	DATE: <i>5/28/2024</i>	

May 28, 2024

RFI NO. 270-20240419GLP (GLP-1 Solutions)
NC Department of State Treasurer
State Health Plan Division
Attn: Kimberly Alston, Contracting Agent
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INTRODUCTION

The North Carolina State Health Plan for Teachers and State Employees (“Plan”) is leading the way in solving one of the most urgent challenges public and private self-funded plan sponsors are facing today—finding a sustainable way to combat the disease of obesity. Form Health (“FORM”) has been closely following the Plan’s benefits adjustments since 2023, and we are excited to share our approach as a way to enable the resumption of benefit coverage to Plan members to use GLP-1s, GIP-GLP-1s and other anti-obesity medications (“AOMs”) for weight loss and management in a financially sustainable way for the Plan.

EXECUTIVE SUMMARY

FORM wants to become the Plan’s Center of Excellence (“COE”) for obesity care. Our evidence-based, physician-led model has already been implemented by other large commercial employers who work with CVS Caremark. FORM’s approach enables carefully managed, severity-based prescribing of AOMs, while minimizing impact on manufacturer rebates, paired with intensive lifestyle and behavioral intervention to optimize patient outcomes and ROI. FORM delivers its care virtually so all Plan members will have equal access to expert obesity care regardless of where they live and work in North Carolina.

We expect that Plan staff may struggle differentiating one vendor from another as you review RFI responses. FORM will strive to articulate our unique capabilities as clearly as possible throughout, but for quick reference, our clients find unique value in FORM through the following:

- Obesity specialist physician-led, 100% science based care model
- Five years experience delivering patient level, individualized care virtually
- Severity-adjusted prescribing (physician choice) keeps FORM on label: manufacturers have confirmed *no impact on their rebates*
- Strongest experience with Transition of Care (TOC) populations, those members who are - or were - utilizing a GLP-1
- 100% claimable services (meets standards of care for medical claims)

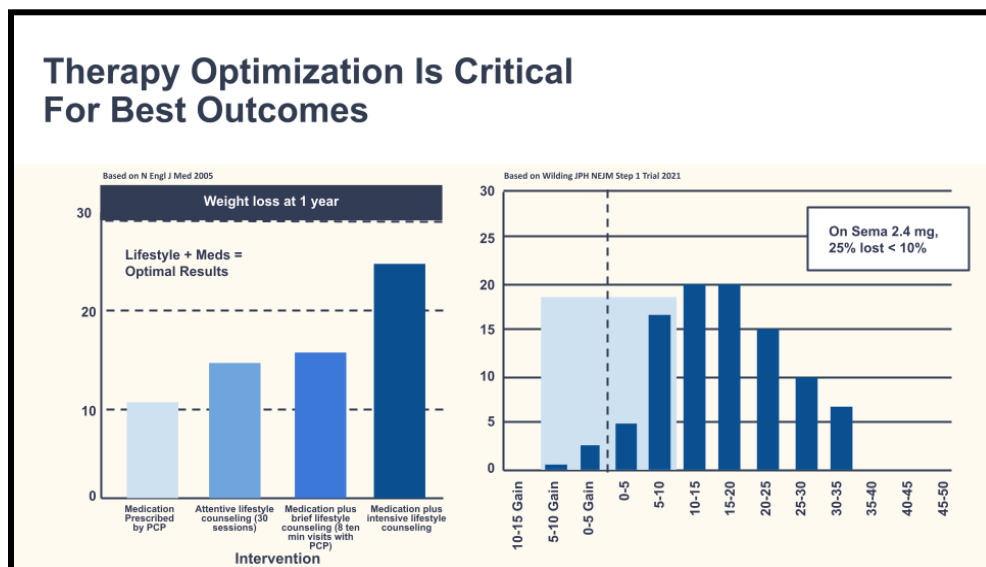
Finally, FORM’s COE for obesity is built to mitigate the Plan’s risk around the growing costs of AOMs, especially as we see a burgeoning pipeline of new pharmacotherapies in obesity and cardiometabolic conditions on the horizon over the coming years. Our focus is twofold: ensuring positive outcomes for those with obesity while curbing rising spend.

ABOUT FORM

FORM was founded in 2019 and has been serving patients since 2020—long before social media fueled the popularity of using GLP-1s for weight loss. FORM is headquartered in Boston, MA, and currently 10% of our clinical staff lives and works in North Carolina. FORM is venture backed and is led by a veteran executive team that has built other large virtual healthcare companies. Perhaps most notably, FORM’s Chief Medical Officer, Dr. Florencia Halperin, co-founded and co-directed Brigham & Women’s Hospital Center for Weight Management & Metabolic Surgery in 2012 prior to joining FORM in 2019. Dr. Halperin has transferred the in-person care model she developed at Brigham & Womens to create FORM’s virtual care delivery model. Her vision is to make the level of care that has historically been available only at institutions like Brigham & Womens, UNC, Wake Forest Baptist and Duke, accessible to all via technology-enabled, specialized telemedicine.

FORM’s CLINICAL FOUNDATION

Science supports that obesity is not a choice. Up to 70% of obesity risk is attributed to genetics, further complicated by our increasingly obesogenic environment. We now understand that obesity is a spectrum of disease and drives multiple comorbidities including type 2 diabetes, heart disease, obstructive sleep apnoea, high blood pressure, cholesterol levels, osteoarthritis, infertility and more. In fact, obesity is a root cause of many of the top conditions where the Plan is likely investing a significant budget today. Science has also demonstrated that intensive lifestyle counseling paired with medication drives optimal results. Additionally, while GLP-1s have demonstrated impressive results for weight reduction, not everyone benefits. Studies have shown that ~25% of individuals do not respond meaningfully, so expert oversight is critical. These science-based factors all contribute to the foundational design of FORM’s clinical approach.



FORM'S OBESITY SOLUTION OVERVIEW

FORM'S approach is unique in (1) depth of clinical expertise, (2) intensity of care, and (3) appropriateness of prescribing GLP-1s / AOMs. The Plan can have confidence knowing that its adult (18+) members with obesity (30+ BMI or 27+ with a weight related comorbidity) are receiving world class care, doing their share of the work, and that Rx and care delivery costs are being carefully managed. Here is more information on each:

1. **FORM's clinical expertise.** Every patient is matched with their own dedicated clinical care team composed of an American Board of Obesity Medicine (ABOM) Physician and a Certified Specialist in Obesity & Weight Management (CSOWM) Registered Dietitian (RD). These experts in obesity care stay with the patient throughout their weight loss and weight management journey to help create and make continual adjustments to a plan personalized for them specifically. ***The rest of the marketplace falls distantly short of FORM in its commitment to providing patients with this level of personalized, obesity care expertise.***

2. **FORM's intensity of care.** A patient's first meeting with their FORM physician lasts 40 minutes. This allows time to review medical and weight history (medical records are collected prior to first visit from patient's PCP) and discuss patient mindset, goals, cultural and religious requirements as well as Social Determinants of Health (SDoH) factors prior to determining an appropriate treatment plan. The patient sees their same physician monthly for 20 minutes per visit thereafter during the weight loss period, and quarterly during ongoing weight maintenance. Patients spend even more time with their FORM RD. They start with a 45 minute first visit to develop a tailored nutrition, activity and mindset plan, followed by two 30 minute visits per month during the weight loss period, and twice quarterly during ongoing weight maintenance. Importantly, patients have access to a 24x7 FORM physician-staffed phone line for urgent

FORM takes an evidence-based, physician-led approach

- **Dedicated clinical Care Team**
 - ABOM Physician
 - CSOWM Registered Dietitian (Certified Specialist in Obesity & Weight Management)
- **Intensive care**
 - Frequent video visits (MD monthly, RD twice monthly)
 - Messaging between visits; 24x7 physician-staffed phone line
 - Tracking tools (photo food journaling, connected scale, BP cuff)
 - Group classes
- **Coordinated care with PCP, relevant specialists, bariatrics, and behavioral health**
- **In-network as medical claims**

Unmatched experience & clinical expertise

Individualized Comprehensive Clinical Obesity Care

Intensive lifestyle intervention

- Personalized plans address nutrition, physical activity, and behavior change support
- Supported by frequent 1:1 interactions with clinicians who are obesity specialists

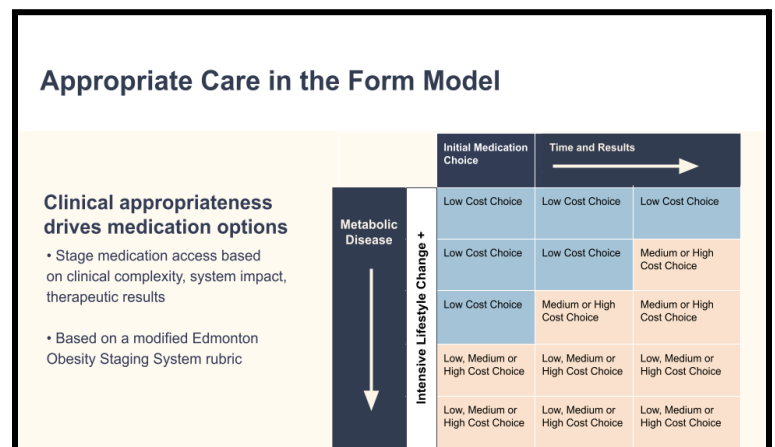
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Medication (as appropriate)

- Proprietary FORMfit algorithm sets GLP-1 severity thresholds to achieve client goals

issues, such as concerns over medication side effects. Patients frequently interact via text based chat with their physician and RD in between scheduled visits, especially critical as patients make lifestyle and mindset adjustments. FORM coordinates with the patient’s other providers and requires all patients to have a current PCP relationship to ensure patient safety. Patients are expected to attend their appointments with their FORM providers to continue to have access to care and AOM medications, if prescribed. **The rest of the marketplace typically offers and asks less than half of this time commitment from their providers and participants. Evidence shows that intensity improves outcomes.**

- FORM’s clinically appropriate prescribing model.** FORM physicians strive to implement the lowest cost, most conservative care plan appropriate for each patient based on patient severity (morbidity risk). Leveraging best practices, FORM will work with Plan sponsors to set levels specifically for their plan to establish a GLP-1 threshold for those patients most in need of the costlier medications. This approach minimizes the impact of manufacturer rebates and is already in use with other large commercial employer plan sponsors who’s PBM is CVS Caremark, as it requires close coordination to implement and manage. Under this model, the Plan would be able to offer FORM’s outstanding obesity care to all of your members who need help, knowing that a majority of the patients will be treated with low cost AOMs or lifestyle-only support, and GLP-1s will be reserved for patients most in need. **The rest of the marketplace is commonly putting up arbitrary roadblocks to prevent people with obesity from getting the care they need as a way to control costs versus severity-adjusting the treatment path at the individual level, as we should always do in medicine.**



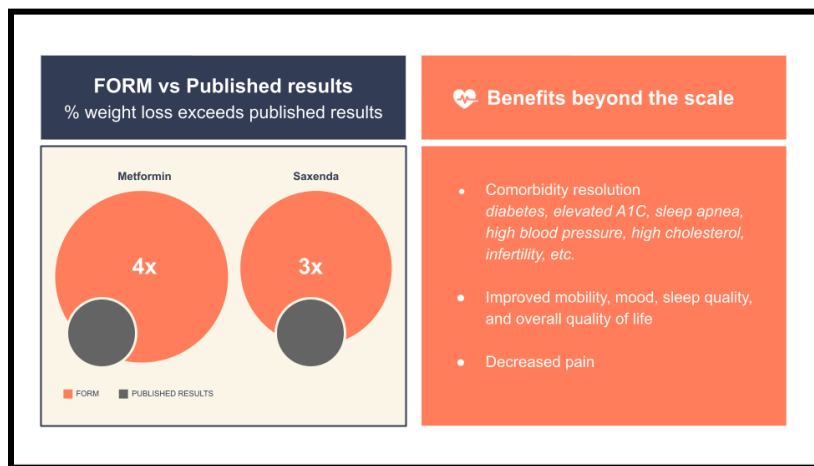
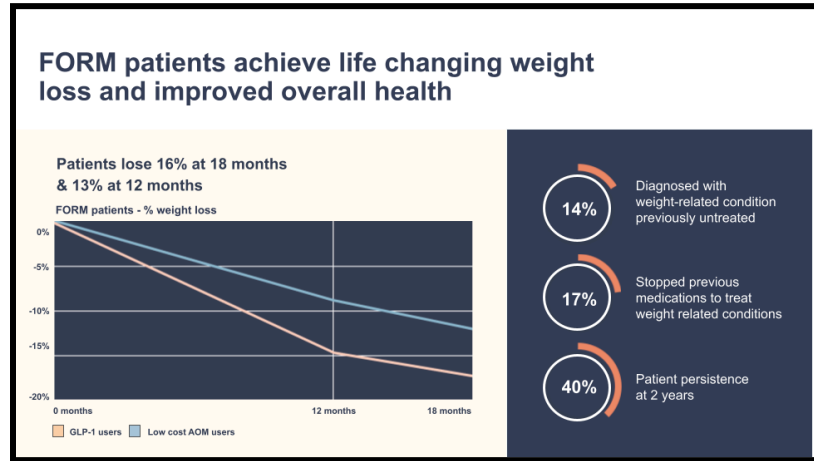
Every FORM patient receives a digital scale that connects to the FORM mobile app. Patients use the app to view their weight readings, schedule - and complete - visits with their clinical team (via Zoom), chat asynchronously with their clinical team, log daily photo food diary and access other resources that are assigned or made available to them. Patients must have an active relationship established with a PCP and assent to FORM collecting medical records so that weight history and height is confirmed (to avoid inappropriate use) and to provide a complete picture before treatment begins. Patients also have access to group classes and social communities FORM hosts on social channels (Facebook, Instagram, YouTube, TikTok) to provide peer support.

FORM's RESULTS

The results FORM delivers for its patients and plan sponsors reaffirm that coupling AOMs with intensive clinical care and lifestyle support is critical to driving superior patient outcomes and ROI. Across FORM's patient panel, we are driving 13% weight loss at 12 months and 16% at 18 months.

FORM is also routinely identifying other weight related conditions that were previously untreated and helping patients come off of other medications once their weight is managed. FORM also has a +85 NPS for patient satisfaction.

FORM's expert, intensive lifestyle intervention model is achieving impressive results leveraging low cost AOMs and GLP-1s/GIPs. For example, Metformin is a low cost AOM commonly used for clinical obesity care and published studies have shown ~2% weight loss, whereas FORM is achieving 8%, or 4X using Metformin combined with our intensive lifestyle intervention model. FORM is delivering 3X weight loss results using Saxenda (GLP-1) versus published results.




*Note that FORM also offers an Overweight Program (25+ BMI but under thresholds for Obesity Program). More information is available upon request.

CENTER OF EXCELLENCE SOLUTION OVERVIEW

FORM believes that our Center of Excellence Model is an ideal solution for the Plan to achieve its goals of making GLP-1s available to its members, most in need, in a sustainable manner while offering alternative, less expensive treatment pathways for those with lower severity obesity. FORM physicians will assume the responsibility of making all AOM prescribing decisions and FORM's RDs will hold patients accountable for doing the hard work required to make necessary lifestyle

changes. This will be accomplished in partnership with the Plan's PBM and medical plan – as all of FORM's fees are typically run as in-network medical claims. FORM is already in network with both BCBS of NC and Aetna. FORM will place fees at risk for delivering outcomes.



**FORTUNE 10
TO BE ANNOUNCED
COMPANY**

Carve-out virtual Obesity Center of Excellence

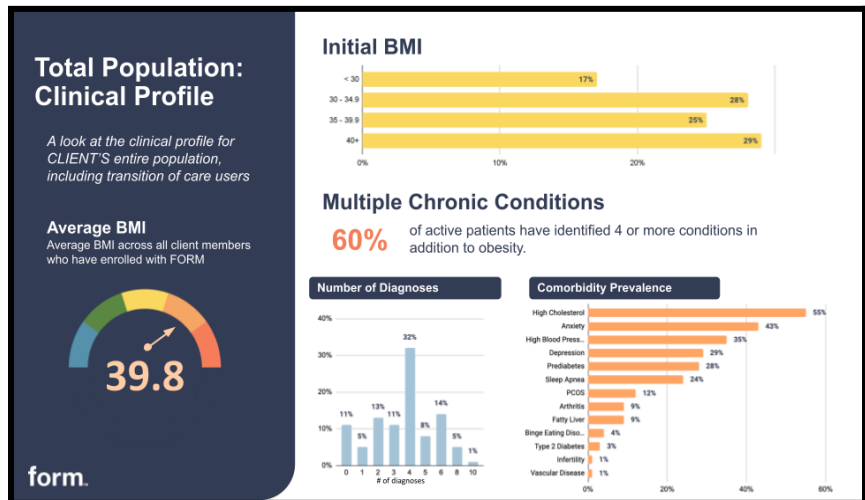
- ✔ Only FORM providers can prescribe and manage GLP-1s
- ✔ Medication coverage requires active participation
- ✔ Physician-led, severity-aware prescribing

- ✔ All fees run as in-network medical claims
- ✔ Executed in collaboration with PBM
- ✔ Risk mitigation via value-based payments

PLAN STAFF SUPPORT / REPORTING

The Plan staff will have a dedicated FORM Senior Client Success resource to support implementation and ongoing account management. They will be responsible for working with CVS Caremark and Aetna to establish the technical integrations and process workflows. They will also be responsible for supporting the Plan's preferred communication strategy and program reporting needs.

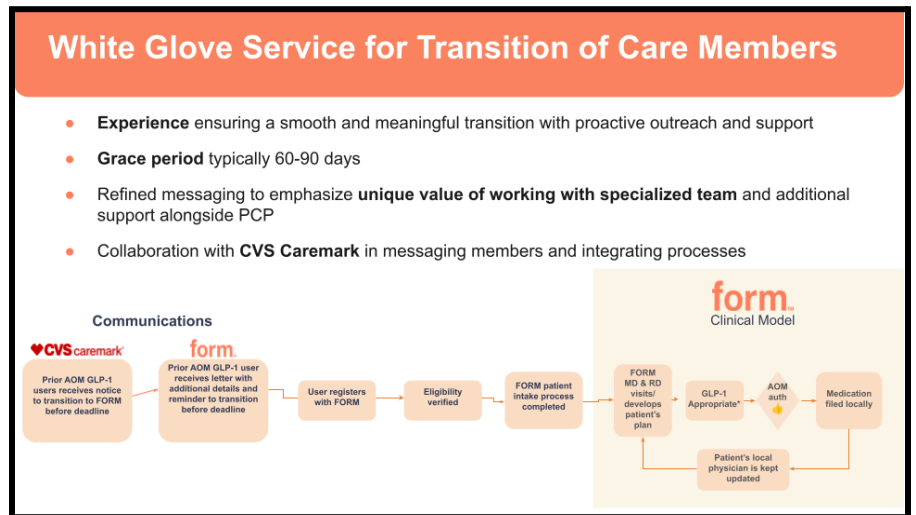
Progress will be monitored daily/weekly during initial months to identify early trends, make adjustments and ensure success. Following the initial period, FORM will provide quarterly reviews, an annual review and strategy discussion and ad hoc reporting as needed.



SUPPORTING TRANSITION OF CARE (TOC) POPULATION

Providing outstanding support to the 24,750 Plan members who had previously been prescribed AOMs will be critical to the success of this effort. The Plan will benefit from FORM's industry-leading experience providing TOC support. FORM and CVS Caremark have worked together to engage and transition patients who were previously prescribed AOMs by other providers to FORM for reevaluation and continued care (as appropriate). This TOC

model is flexible and can be customized based on the Plan's unique needs. FORM has the most experience in the industry successfully working with TOC populations, several of whom have been managed in collaboration with CVS Caremark.



INVESTMENT AND COST SAVINGS PROJECTION

Based on the GLP-1 utilization figures provided in response to Question #8 in Addendum 1 to the RFI, FORM has developed a detailed five year cost and savings forecast model for the Plan. FORM estimates an average net cost to the Plan of \$789 monthly for GLP-1, GIP-GLP-1 prescriptions based on the data (~40% discount from AWP) provided within the "GLP-1 Presentation" shared at the January 25, 2024 Board of Trustees Meeting. A high level model summary is provided below. FORM would be happy to review and make any necessary adjustments to the model with Plan staff upon request.

The model assumes that most Plan members who previously had been prescribed GLP-1s will transition their obesity care to FORM. These patients will be re-evaluated by FORM physicians and provided appropriate treatment plans. The model estimates that ~40% of patients (TOC and new) will be prescribed GLP-1s, 50% will be prescribed low cost AOMs and 10% will be on no medications, lifestyle support only. The Plan will be billed \$195 monthly (via medical claims) for patients who are engaged with FORM during their weight loss period (typically first 4 - 6 months for TOC and 9 -12 months for new patients). The billing frequency will reduce to \$195 billed quarterly for patients who remain engaged with FORM during their ongoing weight maintenance period. FORM is prepared to offer performance guarantees to mitigate risk to the Plan through tailored program design. These may include guarantees on patient outcomes for weight loss and weight maintenance, Rx trend management, patient satisfaction, etc.

Partnering with FORM will enable the Plan to resume offering coverage for GLP-1s, GIP-GLP-1s and low cost AOMs to its members in a sustainable manner. **The Plan will realize \$167,771,307 (2.7X ROI) savings in year one, growing to \$386,955,348 (4.9X) by year five working with FORM based on Rx savings alone.** The Plan will also experience significant additional savings (not captured in this model) via improved population health that will drive lower medical claims and lower indirect costs for these patients.

Total Covered Lives	740,000				
	Year 1 (51.2% YoY)	Year 2 (28.6% YoY)	Year 3 (14.8% YoY)		
Client provided unique patients served each year (Base year 2023 was 24,750 unique patients)	37,422	48,124	55,246		
Implied utilization	5.1%	6.5%	7.5%		
Full year unique utilizers					
Full year unique utilizers (#)					
Year	Year 1	Year 2	Year 3	Year 4	Year 5
Transition of Care (TOC) Patients	21,788	17,018	13,286	10,372	8,098
New Patients	15,634	31,103	41,954	50,492	55,858
Total	37,422	48,121	55,240	60,864	63,956
End of year utilizers					
End of year utilizers (#)					
Year	Year 1	Year 2	Year 3	Year 4	Year 5
Transition of Care (TOC) Patients	17,373	13,563	10,588	8,267	6,590
New Patients	12,827	22,972	30,244	35,837	39,251
Total	30,200	36,535	40,832	44,104	45,841
FORM Services Expense					
Full year monthly fee cost					
Year	Year 1	Year 2	Year 3	Year 4	Year 5
Transition of Care (TOC)	\$45,649,500	\$35,642,685	\$27,824,550	\$21,723,195	\$16,961,295
FORM Obesity Program	\$15,884,137	\$39,652,307	\$49,680,009	\$57,354,126	\$61,748,885
Total	\$61,533,637	\$75,294,992	\$77,504,559	\$79,077,321	\$78,710,180
Rx Spend					
Year	Year 1	Year 2	Year 3	Year 4	Year 5
Rx spend <i>without</i> FORM	\$271,834,959	\$384,747,960	\$461,198,904	\$523,474,674	\$564,418,251
Rx spend with FORM	\$104,063,652	\$134,178,398	\$152,820,815	\$168,448,368	\$177,462,903
RX spend savings with FORM	\$167,771,307	\$250,569,562	\$308,378,089	\$355,026,306	\$386,955,348
ROI (Rx savings/Cost of FORM)	2.7x	3.3x	4.0x	4.5x	4.9x

SUMMARY

Thank you for the opportunity to share our approach for helping the Plan combat the disease of obesity within your population. FORM's science-based, physician-led specialty care model - with five years practical experience - and track record of successfully supporting TOC populations is uniquely positioned to handle the scale of the Plan's challenge. You can have confidence knowing that all of your members in need will receive world-class obesity care alongside prescribing decisions that will be carefully managed so that these benefits can be offered sustainably. To demonstrate our commitment to supporting your unique needs, FORM will make additional investments in North Carolina to grow our clinical and administrative team to support your members and staff.

We welcome the opportunity to share more of our expertise in obesity care and experience working with large self-funded plans if invited to continue in your RFI process. Please feel free to reach out to Tom Kahl at tom.kahl@formhealth.co or 925-997-1549 with any questions.