



Brian Hermreck
Lead Director, Strategic Accounts

2100 East Lake Cook Road

Buffalo Grove, IL 60089

p 847-226-3832

f 480-862-1090

Brian.Hermreck@CVSHealth.com

May 29, 2024

RFI NO. 270-20240419GLP
NC Department of State Treasurer
State Health Plan Division
ATTN: Kimberly Alston, Contracting Agent
3200 Atlantic Avenue, Raleigh, NC 27604
Re: Performance Bond

Dear Kimberly:

Attached is response for RFI 270-20240419GLP.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Hermreck".

Brian Hermreck
Lead Director, Strategic Accounts

STATE OF NORTH CAROLINA	REQUEST FOR INFORMATION NO. 270-20240419GLP
Department of State Treasurer NC State Health Plan for Teachers and State Employees	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: CaremarkPCS Health, L.L.C	E-MAIL: BRIAN.HERMRECK@CVSHEALTH.COM	
STREET ADDRESS: CVS CAREMARK ATTN: PBM LEGAL NOTICES	P.O. BOX:	ZIP: 60089
CITY & STATE: 2100 E. LAKE COOK ROAD, 5TH FLOOR	TELEPHONE NUMBER: 847.226.3832	TOLL FREE TEL. NO:
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING: BRIAN HERMRECK LEAD DIRECTOR	FAX NUMBER: 480.862.1090	
AUTHORIZED SIGNATURE:	DATE: 5/29/2024	

1.0 EXECUTIVE SUMMARY

The North Carolina State Health Plan for Teachers and State Employees (“Plan”), a division of the North Carolina Department of State Treasurer, provides health care coverage to more than 740,000 teachers and school personnel, State Employees, retirees, current and former lawmakers, state university and community college personnel, and their dependents. The mission of the State Health Plan is to improve the health and health care of North Carolina teachers, State Employees, retirees, and their dependents, in a financially sustainable manner, thereby serving as a model to the people of North Carolina for improving their health and well-being.

2.0 PURPOSE AND OBJECTIVES OF THE REQUEST FOR INFORMATION

The Plan’s net spend on glucagon-like peptides (GLP-1s) and gastric inhibitory polypeptide (GIP) agonists for weight loss exceeded \$100 million in 2023 and was projected to exceed \$170 million in 2024. In order to limit this financially unsustainable expense, the Board of Trustees for the State Health Plan for Teachers and State Employees ended coverage of GLP-1s, GIP-GLP-1 agonists and other similar molecular entities used for weight loss as a benefit effective April 1, 2024.

The Board further directed Plan staff to explore options that may allow members who need these medications the most to obtain them, informed by medical necessity and long-term cost effectiveness, under a fiscally sustainable model, budgeted over at least the next five years. To that end, the Plan is issuing this Request for Information (RFI) to gather ideas and solutions from the marketplace.

This RFI is intended to collect information, recommendations, and potential solutions for the Plan to consider respecting the feasibility of providing benefit coverage to Plan members to use GLP-1, GIP-GLP-1 agonists, and other similar new molecular entities, for the purpose of weight loss in a manner that is financially sustainable for the Plan.

The Plan is seeking responses outlining detailed solutions that would address the following:

- A. Permit the Plan to provide benefit coverage to Plan members to use GLP-1, GIP-GLP-1 agonists, and other similar new molecular entities, for the purpose of weight loss.
- B. Establish a pricing framework that would permit the Plan to provide such benefit coverage in a fiscally responsible manner in order to maintain financial sustainability. For example, the Plan seeks the ability to:
 1. Pay for varying percentages of the unit cost according to medical necessity considerations.
 2. Receive the same effective net price if the Plan only chooses to pay for a medication for an additional FDA indication without paying for it for all other indications.
 3. Audit claims, rebates, and prior authorizations for accuracy and compliance with applicable laws and regulations.
- C. Potential for establishing a program outlining certain eligibility requirements, parameters, or other prerequisites for Plan members to follow in order to receive benefit coverage of GLP-1, GIP-GLP-1 agonists, and other similar new molecular entities, for weight loss. As a result, the Plan seeks the ability to:

1. Require that an approved weight loss program or nutrition classes be completed before approval of payment for the medication.
 2. Develop step therapies involving lower cost medications.
 3. Require that medications be prescribed by a practitioner with appropriate levels of expertise.
 4. Prohibit Body mass index (BMI) measurements from being estimated via telehealth visit to ensure accuracy and accountability, while enabling a data collection process that supports the successful implementation of the benefit.
- D. Potential for establishing a program wherein the Plan has the flexibility to establish parameters for utilization management of GLP-1, GIP-GLP-1 agonists, and other similar new molecular entities for weight loss, which may include considerations such as, but not limited to:
1. BMI;
 2. Current weight;
 3. Documented history of lifestyle modifications, which may include reduced calorie intake and increased physical activity;
 4. Documented enrollment and measurable participation in other nutritional or dietary programs;
 5. Consideration of evidence for one or more comorbid conditions or other obesity-related medical conditions;
 6. Data analytics and reporting tools supporting successful claims adjudication and program evaluation;
 7. Requirements for in-person treatment visits to verify efficacy of medications for individuals; or
 8. Any other considerations or parameters that would support a program to achieve the Plan's objectives of serving the members who need these medications the most.
- E. Provide cost, price structures, or other relevant expense information related to the recommendations and potential solutions submitted.

3.0 RFI PROCEDURES

A. Schedule

Responses must be received by the date, time and the location specified on the cover sheet of this RFI. Respondents may be requested to present and discuss their submissions at the Plan's offices in-person or remotely. If the Plan requests such a presentation, respondents will be notified of the specific date and time at least two weeks in advance of any presentation.

B. Clarification Questions

Clarification questions will be accepted until April 30, 2024, 5:00 PM ET as specified on the cover sheet of this RFI (the "Clarification Period"). All questions must be submitted in writing. Responses to all questions received shall be addressed and issued as an addendum to this RFI. During the Clarification Period, respondents are strongly encouraged to raise any and all

questions or concerns about the RFI. Any questions or concerns not raised during this period are considered waived by the respondent.

Question submittals should include a reference to the applicable RFI section and be submitted in the format shown below:

No.	Reference	Respondent Question
1.	RFI Section, Page Number	Respondent Question . . . ?

C. Response

The Plan recognizes that considerable effort will be required in preparing a response to this RFI. However, please note this is a request for information only, and not a request for services. The respondent shall bear all costs for preparing this RFI. **Under no circumstances will any documents, information, recommendations, or potential solutions submitted in response to this RFI, or any communications between the Plan and a respondent, create a binding agreement or contract, or expectation thereof, between the Plan and respondent or between the State of North Carolina and respondent.**

1. Content and Format

The Plan expects a comprehensive, detailed explanation of the workings of each component of the response. Each component of the response will explain how it will operate to address the needs and objectives of the Plan as identified in Section 2.0. The Plan is not interested in brochures or “boilerplate” responses. Instead, responses should clearly define how the proposed solution(s) would meet the Plan’s needs. Any issues or exceptions to the Plan’s requirements should also be identified and explained.

The response may include charts, graphs, or other visuals that assist in demonstrating how a component of a response operates or how that component would meet the Plan’s objectives.

A comprehensive, detailed equipment list including software, applications and other information technology components required for the proposed solution should be provided. The Plan is not interested in participating in any field trials of new equipment or software.

The response should define all services that would be required by the proposed solution. The response should also include:

- The respondent’s understanding of the project and services by addressing the Plan’s objectives; and
- An estimated total cost of ownership for the solution including continued compliance with emerging industry standards.

2. Multiple Responses

Multiple responses, or alternative individual solutions will be accepted from a single respondent provided that each response is comprehensive, meets all of the Plan’s requirements, and is truly unique. If submitting multiple responses, place each response in a separate envelope and clearly mark responses as “Response #1, Response #2, etc.

D. Confidentiality

Responses obtained by the Plan under this RFI and items derived therefrom are subject to the State Public Records Act, Chapter 132 of the North Carolina General Statutes (the "SPRA").

If a response contains any proprietary or confidential information protected from public disclosure under the SPRA, the respondent shall submit a redacted electronic copy on a flash drive to the Plan with its response. Any proprietary or confidential information under the SPRA must be clearly redacted by the respondent in black markings fully covering and obscuring such information within the redacted electronic copy of the RFI response. By submitting a redacted electronic copy, respondent warrants that it has a good faith opinion that the redacted information in fact meet the requirements of the SPRA and the SPRA prevents their public disclosure. Blanket assertions of confidentiality are not permitted.

In the Plan's unfettered discretion and without notification to any respondent, the Plan may post any responses obtained by the Plan under this RFI, and items derived therefrom, on the Plan's public website (www.shpnc.org). In posting such items to the Plan's website, the Plan will post the redacted version of such items, if respondent has provided redactions in compliance with this section. If no redacted version of such items has been provided to the Plan in compliance with this section, the Plan will post such items on the Plan's website in the manner they were provided to the Plan.

Redacted copies provided by respondents to the Plan may be released in response to SPRA requests without notification to the respondent. Further, respondent's information that cannot be shown to be prohibited from disclosure by the SPRA may be subject to public disclosure under the terms of the SPRA.

If a legal action is brought to compel the Plan to disclose any of the respondent's redacted information, the Plan will notify the respondent of such action and consent to intervention of the respondent in the action and to the respondent's defense of the confidential status of the redacted information. In such legal action, the duty and responsibility to defend such information shall solely be the respondent's, and the Plan shall have no liability to the respondent for the Plan's failure to defend such action.

E. Respondent Materials

All responses, inquiries, or correspondence relating to or referenced in this RFI, and all documentation submitted by the various respondents shall become the property of the Plan when received. Ideas, approaches, information, recommendations, potential solutions, and options (but not proprietary material) presented by respondents may be used in whole or in part by the Plan in developing a future solicitation, should the Plan decide to proceed with a solicitation. Further, combinations of various responses from respondents may also become part of a solicitation, based on the needs of the Plan.

STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER
NC STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES
REQUEST FOR INFORMATION NO. 270-20240419GLP

Our approach to transforming weight management

We take a comprehensive approach to weight management and GLP-1s, offering NC State Health Plan for Teachers and State Employees a suite of solutions aimed at improving outcomes by treating the entire patient, reducing costs, and providing the flexibility to design a solution that meets your goals and objectives.

We will support you in developing a thoughtful, data-driven approach to meet your specific needs focused on three key elements:

- **Coverage** options for GLP-1s
- **Cost** management options based on coverage
- **Care** management solutions for weight management

Coverage options for GLP-1s

Coverage approaches to GLP-1s are not one-size-fits-all. Some plan sponsors may choose to offer coverage that fully aligns with U.S. Food and Drug Administration (FDA)-approved labeling and clinical compendia-supported uses. Others may want to exclude coverage of GLP-1s for weight management or put in place more stringent coverage requirements for the weight management class.

Coverage decisions should take into account the health outcomes and total cost of care impact that weight management can have in preventing chronic condition onset or progression. Treating obesity can help reduce downstream pharmacy and medical spend. Pharmacy benefits can also be an important talent attraction and retention tool in today's competitive labor market.

Plan sponsors may assess their coverage options depending on the nature of their employee population. For example, those in industries that experience high turnover may have lower vested interest in long-term outcomes and may opt for a more stringent coverage approach, with rigorous utilization management (UM) levers in place.

Cost management options based on coverage

Our multifaceted approach to cost management includes leveraging our scale and market expertise to negotiate low net cost and using formulary design to prefer low net cost products. Plan sponsors can choose plan design and formulary levers that align with plan goals, including a 100-percent member copay option and plan design with category exclusion. Select formularies also include new-to-market review, which evaluates appropriate use of drugs according to FDA-labeled indication and encourages use of comparable formulary drugs.

Utilization management strategies

If your plan design includes coverage for GLP-1s, we can help ensure appropriate utilization through intelligent controls, including:

- **Prior authorization (PA)** to help ensure utilization is clinically appropriate at the onset of therapy and throughout treatment.
- **Quantity limits** to help ensure dosing does not exceed recommendations.
- **Weight Management UM Bundle** that allows for comprehensive drug class management by automatically updating and/or adding new UM criteria, when available.
- **Smart logic PA** to help prevent coverage of off-label utilization while minimizing member impact.

Tailor coverage of new weight management drugs from day one

The Weight Management UM Bundle helps ensure clinically appropriate and cost-effective coverage for weight management medications. It automatically applies evidence-based UM criteria so you can manage coverage for new agents as soon as UM criteria become available.

The bundle currently includes criteria for:

- Contrave
- Qsymia
- Saxenda
- Wegovy
- Xenical
- Zepbound
- Additional weight management agents

UM criteria are supported by medical evidence and require documentation and drug-specific quantity limits.

Care management solutions

Comprehensive care management is an important part of the overall GLP-1 strategy, because GLP-1s are most effective when dosed appropriately and paired with lifestyle changes including proper nutrition.

CVS Caremark recommends a lifestyle-first approach to help members manage their weight and reduce their risk for diabetes without medication, when possible.

For members already on GLP-1, nutrition and clinical support may help increase the clinical efficacy of the medication, as these drugs work best when paired with lifestyle interventions.

Weight Management

Lifestyle changes are essential to achieving and maintaining a healthy weight — even for those on weight management medications — and reducing the risk for diabetes.

Our Weight Management program offers high-touch clinical and nutrition support in a virtual setting to support members wherever they are in their journey. Our program considers recommendations and findings from the Centers for Disease Control and Prevention (CDC), American Society for Metabolic and Bariatric Surgery (ASMBS), International Federation for the Surgery of Obesity and Metabolic Disorders (IFSO), American Gastroenterological Association (AGA) and the Food and Drug Administration (FDA).

We can support members already taking a weight management medication and those who qualify, but do not yet have a prescription. In other words, we can provide the tools, resources, and coaching and they may avoid ever obtaining a prescription for these drugs, which drives savings.

Member Engagement and Digital Experience

The member experience for this program includes the following:

- Easy self-enrollment with screening questions about weight goals, health history, general well-being, and behavioral health — with referrals for additional services, if appropriate.
- Lifestyle and intervention support, including personalized nutrition planning, from a dedicated registered dietitian in a virtual setting.
- Clinical dosing and oversight from board-certified providers who address concerns with medication success, tolerability, adherence, compliance, and cost.
- Notification of the member's primary care provider, so progress can be discussed during regular visits.
- Use of the Health Optimizer digital app, which allows for direct messaging with a dietitian, plus convenient tools for meal-planning, calorie- and macro-tracking, a personalized menu, 400+ recipes, a restaurant helper tool, and more. The Health Optimizer app has an extensive clinically—based library, delivered to members in concise, accessible and digestible articles. It meets members where they are in their journey with AI-driven educational recommendations. Members can increase awareness and knowledge over time.

Our Weight Management Program is a virtual program. Members will receive communication via direct mail, email, and SMS as well as support from Registered Dietitians via virtual visits and real-time chat through the Health Optimizer App. Digital support includes tracking biomarkers and nutritional support. Members have access to the Health Optimizer application, as well as a connected scale and, if applicable, a ketone meter, blood pressure cuff/monitor and a glucometer.

Comprehensive clinical approach

[Redacted text block]

Tailored approach

The configurability of our program gives you options to structure a solution that best fits your financial objectives and member needs.

- **Voluntary** – Weight Management is offered to any member taking or eligible to take an anti-obesity management medication with our program but in no way does our program impact benefit design or drug access
OR
- **Required** – If you elect our standard Weight Management prior authorization, you may require our nutritional support program designed to optimize weight loss and mitigate side effects by allowing the prior authorization to assess clinical eligibility for the medication:
 - For new and existing members who meet all prior authorization criteria and receive approval, Weight Management participation is required for access to the anti-obesity medication per the plan's benefit design. Should the member not participate in our Weight Management program, access to the anti-obesity medication exists but is subject to 100%-member cost share.
 - For members who do not meet the prior authorization criteria of physician attestation of six months in a comprehensive weight management program prior to receiving the anti-obesity medication, our solution may be offered and satisfy the requirement to meet this criteria and open access to the medication upon completion per plan benefit.
 - For members who do not meet clinical criteria other than doctor's attestation; the utilization management in place is working as intended and the member is ineligible for access to anti-obesity medications through the plan.

Program Eligibility

[Redacted text block]

Reporting

[Redacted text block]

Program Fees

Our Weight Management program is [Redacted] Per Engaged Member Per Month.

[Redacted text block]

All participants receive a connected scale, and, if applicable, a ketone meter, blood pressure cuff/monitor and a glucometer.

Savings and Guarantees

The following outlines the various offerings by guarantee type:

- Return on Investment (ROI) - CVS Weight Management Program (Buy-up) Incremental and distinct [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted text block]

A spectrum of solutions

Balancing cost and coverage for GLP-1s will remain a priority for NC State Health Plan for Teachers and State Employees. Comprehensive GLP-1 management from a single provider offers you program flexibility, clinical effectiveness, and data-driven individualized support. Our spectrum of coverage, cost control, and care management options offers varying levels of stringency.

Through continued innovation, we will continue to advance GLP-1 strategies while improving member care. As your PBM, familiar with your population today, we can help you develop a comprehensive, cost-effective strategy that meets your business needs and supports your members in transforming management of their weight.