

# THE CVS CAREMARK GUIDE: Member Affordability




**We are fortunate to live during a time when many conditions are treatable with a combination of medication, behavioral and clinical support.**

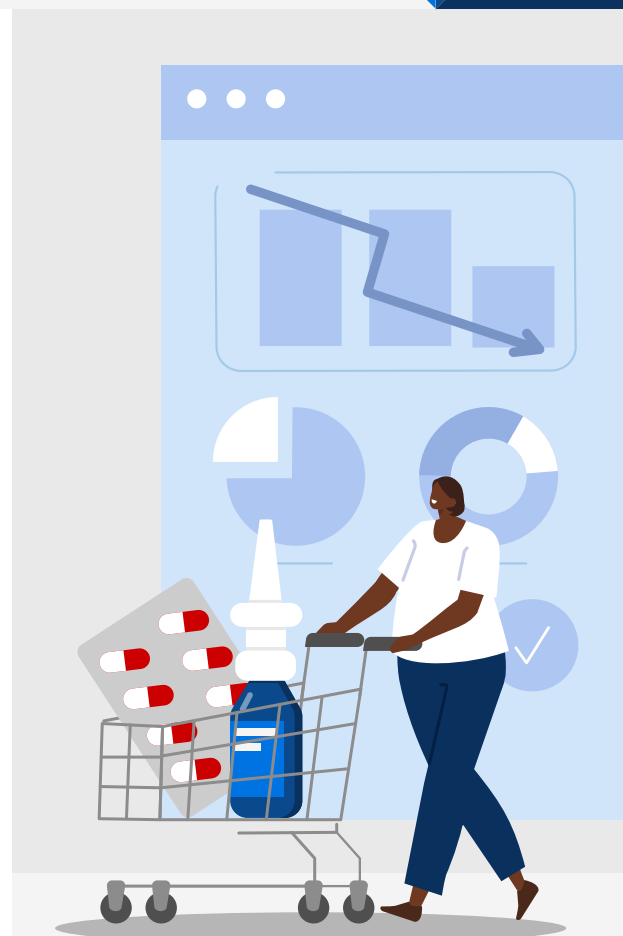
Unfortunately, even though medications exist for many conditions, it doesn't mean that everyone can easily afford the medications they need to get and stay well.

When members can afford their medications, they're much more likely to take them regularly. And if they take them regularly, they're more likely to experience improved health outcomes.<sup>1</sup>

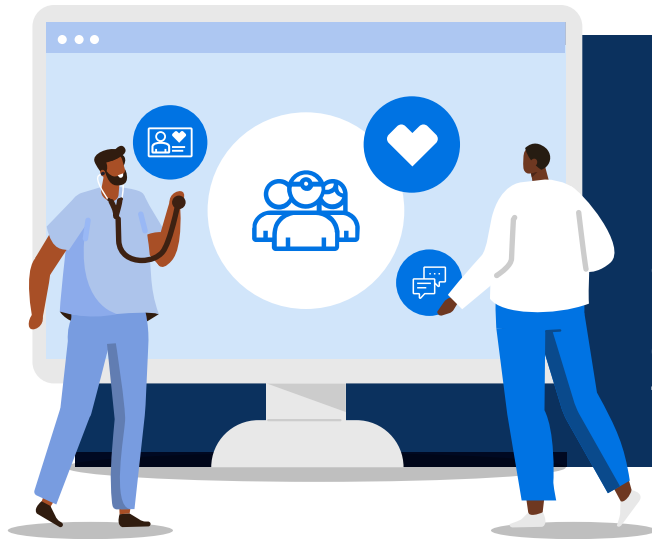
Our purpose — making health care more affordable and accessible — is what drives us to provide pharmacy solutions that help deliver better health outcomes at a lower cost.

## Our approach to member affordability:

-  **Create flexible plan design options**
-  **Provide members with proactive savings advice and alerts**
-  **Offer members and providers real-time visibility into costs**



**↓29.3%**  
reduction in  
member out-of-  
pocket costs over  
the past seven years<sup>2</sup>



Everyone plays a role — our clients, their members, and their providers and pharmacists.

Fortunately, we have connections with everyone across the care continuum and can share information in a way that increases transparency, giving people the information they need to make the best possible choices, when they need it.

# 1 Creating plan design options

Each plan sponsor has different goals. So do their members. That's why it's important to consider the right mix of plan design options to help plan sponsors deliver the right solutions at the right cost.



## Point-of-sale (POS) rebates

POS rebates help offset member costs for rebated drugs by sharing rebates directly at the point of sale. More than 98 percent of the discounts CVS Caremark® negotiates are passed directly to plan sponsors, who typically use them to reduce premiums and other costs for their members.



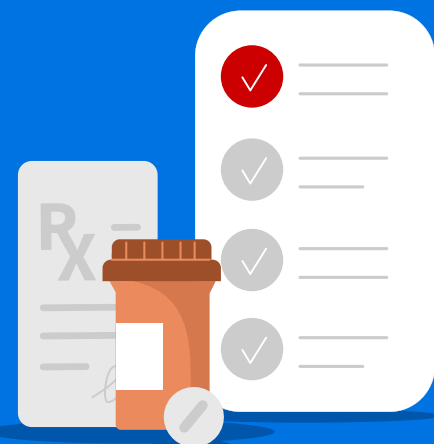
## Preventive drug lists with \$0 copay

We encourage clients to have a preventive drug list in place to help lower prescription costs and improve adherence. This allows members with high-deductible health plans to pay a copay or coinsurance for select preventive medications, even if they haven't met their plan deductible. A preventive drug list typically covers important classes of medications that manage high-cost diseases like diabetes and cardiovascular conditions — and can be an effective tool to reduce member disruption and increase utilization.

2016–2023

Reduction in 30-day supply average out-of-pocket cost:

\$11.38 → \$7.26<sup>2</sup>



# 2 Providing proactive savings advice and alerts

## Tapping into the power of prescribers

We know how important members' relationships are with their providers, and we take our role in supporting them very seriously. Our connections with providers through Real-Time Benefits allow them to see — and select — relevant, lower-cost alternatives based on members' plans, helping them save right at the point of prescribing.

Having access to this greater cost transparency upfront helps providers make more informed decisions in the office, which can help avoid unnecessary surprises for members at the pharmacy counter.



**>49%**  
of providers receive Real-Time Benefits information in their members' EHRs, giving them access to:<sup>3</sup>

- drug costs
- prior authorizations
- lower-cost, clinically appropriate alternatives

## Giving pharmacists the tools they need

Members trust their pharmacists — after all, they work in their communities, they're easily accessible and many speak with them about their health on a monthly basis.<sup>4</sup> That's why we make sure we're giving pharmacists the tools they need to best serve members.



In-network pharmacists can access **RxSavings Finder**, our proprietary search tool, to view the same plan and cost information as prescribers. They can cross-reference it to quickly identify additional savings opportunities for members.



**Caremark Cost Saver™** seamlessly compares member cost share under their plan benefit to prices available from GoodRx®, automatically providing members with the lower price at point of sale. Applicable for many commonly prescribed, non-specialty generic drugs at the pharmacy counter.



Americans have a special confidence in pharmacists, placing them as one of the country's most trusted professions.<sup>5</sup>

**84%**  
trust  
pharmacists

**69%**  
trust information  
from pharmacists  
(which is higher than  
friends and family)<sup>6</sup>

## Providing members with the guidance and support they need

While some members are comfortable looking for answers online, many call our specially trained service representatives when they have questions.

Our Customer Care team can access savings opportunities or provide copay assistance guidance to help members get the coverage they need at the lowest cost. And CVS Specialty's Reimbursement Counseling Center (RCC) proactively works on behalf of members filling prescriptions at CVS Specialty to connect those who need help paying for their medication with financial resource options, with the goal of avoiding any interruptions in therapy.\*



**~\$3.9K** average savings per patient<sup>7</sup>



**\$185.2M** financial assistance<sup>7</sup>

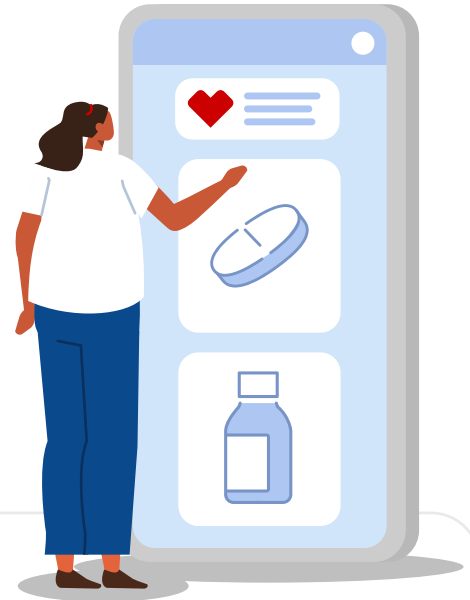


RCC consists of 21 specialists with over 75 years of combined experience, excelling in strong advocacy and unique problem-solving skills.

# 3

## Offering real-time visibility into costs (and covered alternatives)

Many members are comfortable when it comes to researching their options — and we want to empower them with the tools to take their health (and health care costs) into their own hands. Members can check drug costs online anytime through our **Savings Advisor** and **Check Drug Cost** digital tools, giving them 24/7 visibility into medication costs and lower-cost alternatives. We also proactively reach out with many savings opportunities when they become available.



### CVS CAREMARK TRUECOST™

#### Available for implementations starting January 1, 2025!

TrueCost is reshaping the future of pricing for every drug, every condition and every member.

TrueCost can help members realize the maximum value of our purchasing power, so they can take full advantage of their pharmacy benefit. And when they stay on benefit, they get a connected experience with digital tools and clinical support, helping to improve their health outcomes.

### IN PRACTICE

#### How do pharmacy benefit managers (PBMs) drive down costs?

Our role is to help keep prescription drugs affordable. PBMs negotiate discounts for clients, helping to lower the cost of prescription drug coverage. These savings benefit clients' members, particularly those managing chronic conditions like diabetes. People with diabetes incur 2.3x higher medical costs, with average medical expenditures of \$16,752.<sup>8</sup> Programs like our Transform Diabetes Care use personalized interventions to help members reduce their A1C levels and close gaps in care.

2017–2022

↓ **33%**

Net cost of 30-day insulin supply<sup>9</sup>

2023

< **\$25.10**

Average member cost<sup>9</sup>


## The bottom line

Fragmentation in the health care industry is one of the primary reasons health care remains too complex and expensive. Every day, we strive to offer high-quality pharmacy benefits through integrated services and programs. Our affordability levers are built right into our full pharmacy benefit offerings, making them easy and accessible. Without PBMs, consumers would likely pay more for their drugs at the pharmacy counter.

### CASE STUDY

## Reducing member cost share and complaints by 26%<sup>10</sup>

Members in a high-deductible health plan voiced concerns about drug costs. The client implemented POS rebates and Cost Saver to help reduce brand and generic drug member cost share. We then promoted these new solutions to members, explaining how they would reduce their costs and improve their overall experience.

 **\$1.7M** of rebates applied to reduce member cost share within 6 months

### The strategy is working:



## Experiencing better health outcomes, with lower costs

Delivering high-quality pharmacy benefits requires much more than just managing the dispensing of drugs. It requires the ability to interact with members and help them make better health choices. It requires a connected approach that allows providers, members and pharmacists to work together to help ensure members can experience better health outcomes, with lower costs.

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\* Available for those members who qualify and need help paying for medication.

1. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10196872>.
2. CVS Caremark Analytics, 2023.
3. CVS Health Analytics, 2022.
4. CVS Health-Harris Poll National Health Project, February 2022.
5. <https://news.gallup.com/poll/1654/honesty-ethics-professions.aspx>.
6. <https://www.edelman.com/trust/22/special-report-trust-in-health>
7. \$3.9K average savings and \$185.2M: CVS Health Analytics, 2024. Data from full year 2023. Actual results may vary depending on benefit plan design, member demographics, programs implemented by the plan and other factors.
8. <https://diabetes.org/about-us/statistics/cost-diabetes>.
9. CVS Health Analytics, 2017-2023.
10. 2023 Employer Case Study on an employer with 20K members who was experiencing member abrasion with their full replacement, high deductible health plan (HDHP) design. Actual results may vary depending on benefit plan design, member demographics, programs implemented by the plan and other factors. Client-specific modeling available upon request.

The source for data in this document is CVS Health Enterprise Analytics, unless otherwise noted. Savings will vary based upon a variety of factors including things such as plan design, demographics and programs implemented by the plan. Client-specific modeling available upon request. CVS Health uses and shares data as allowed by applicable law, our agreements and our information firewall.