

THE CVS CAREMARK GUIDE: Transforming Metabolic Health

Improve the health and well-being of your plan member population.

Glucagon-like peptide 1 receptor agonists, or GLP-1s, have changed the way obesity and its frequently co-occurring condition, diabetes, are treated. These therapies are highly effective.

However, they are also costly. A multifaceted approach can help plan sponsors control spend and trend while providing members with the support they need to live longer, healthier lives.

Our approach to transforming metabolic health is differentiated by:

- A deep understanding of your population
- Effective levers to deliver an integrated experience, informed by advanced analytics
- Our extensive track record of managing trend and staying ahead of market events



Three Keys:

 Coverage

 Cost

 Care

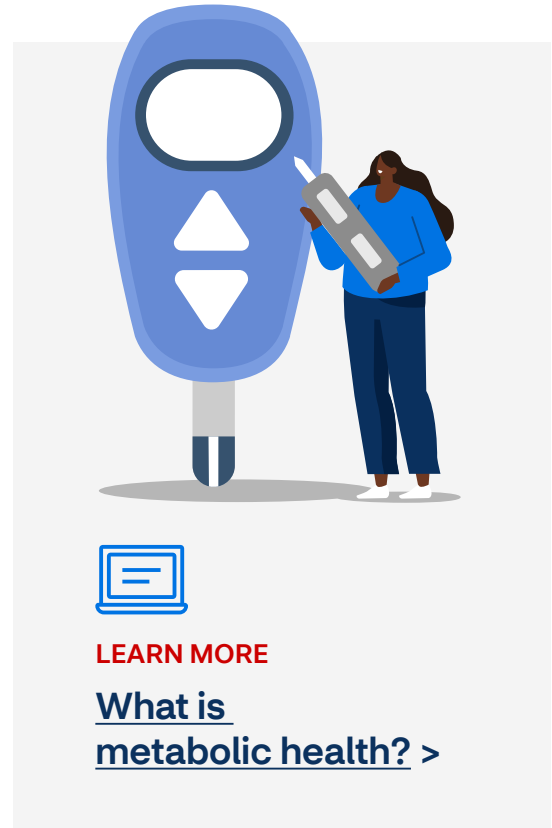
 **CVS** caremark®

The relationship between diabetes and obesity

Diabetes and obesity, both conditions caused by suboptimal metabolic health, are highly prevalent; obesity affects 70 million U.S. adults, while more than 37 million U.S. adults have diabetes.^{1,2}

Being overweight increases risk for type 2 diabetes, heart disease, and stroke. In 2011, researchers warned of “the epidemic of obesity and diabetes,” noting that both are risk factors for cardiovascular disease, the leading cause of death in the U.S.^{3,4}

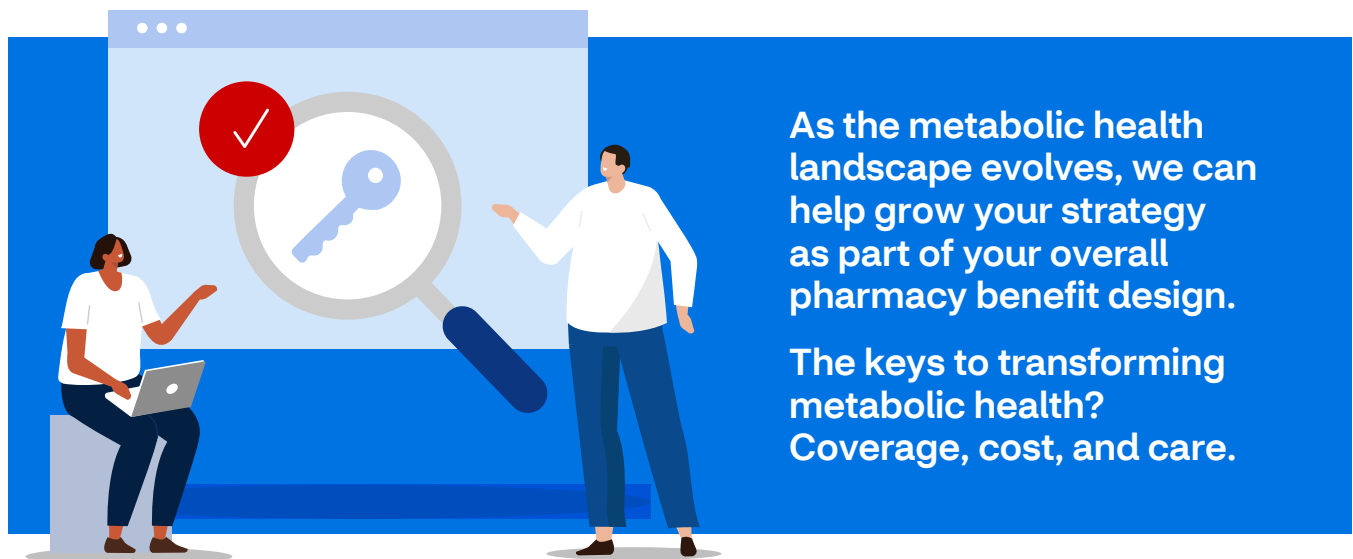
People with obesity are up to 80 times more likely to develop type 2 diabetes than those with a BMI of less than 22.⁵ However, losing just 7 percent of body weight can reduce the risk of developing diabetes by almost 60 percent.⁶ Both diabetes and obesity are treated with GLP-1s.



Considerations for payors

The use of GLP-1s has skyrocketed over the past few years, and the upward curve shows no sign of slowing: The category could reach more than \$77 billion in global sales by 2030.⁷ Plan sponsors will want to craft an approach to GLP-1s that includes three key elements: coverage, cost, and care.

We are committed to supporting you in developing thoughtful, data-driven approaches to metabolic health. We provide a comprehensive spectrum of options and available modeling to inform coverage decisions, including medical cost avoidance and pharmacy spend savings.



1



Coverage

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.

We can meet you where you are, with a plan design that addresses your needs and optimizes the impact to your bottom line, including the potential effect to rebates and overall drug spend.



68%

savings from
low net cost +
UM strategies⁸



2 Cost

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:



LEARN MORE

See how smart logic PA helped one client reduce net spend by

11% in just two months

[View case study >](#)



Prior authorization (PA)

to help ensure utilization is clinically appropriate at the onset of therapy and throughout treatment



Step therapy

requiring members with type 2 diabetes to try metformin before progressing to a GLP-1



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

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

Curb off-label coverage of GLP-1s approved to treat type 2 diabetes

Off-label prescribing of GLP-1s approved to treat type 2 diabetes for weight management can be costly. Our smart logic PA helps ensure coverage for these medications is clinically appropriate, with minimal impact to members who have type 2 diabetes.

The process allows seamless claims adjudications based on sophisticated clinical rules and information we already have about the member, such as prescription claims history or diagnosis codes associated with a prescription.

A two-year lookback can identify if a member's records include:

- An ICD code indicating a type 2 diabetes diagnosis
- Previous use of a non-GLP-1 type 2 diabetes medication, such as metformin
- Previous use of diabetes supplies

If the smart logic criteria are met, the medication is covered with no member or physician disruption. If the criteria are not met, further information and review is needed.

67%

of members meet smart logic criteria⁹

~\$1B

in client savings⁹

How does our smart logic PA work?



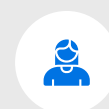
Claim received



Member record review



Two-year lookback



Claim approved or sent for further review



3



Care management

Comprehensive care management can help accelerate savings and promote better metabolic health outcomes. To efficiently manage the dynamic GLP-1 category, 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 CVS Weight Management program offers clinical and nutrition support to members to support them wherever they are in their journey, including:



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

2:1
ROI
guarantee^{††}



Members who are not using weight management medications can benefit from the program, too. Participation can be integrated as a prerequisite for GLP-1 coverage and, for some members, may even prove an alternative to starting drug therapy.

Depending on your philosophy and approach, you may elect to:



Implement a voluntary prevention program that targets members who qualify for a weight management medication but do not yet have a prescription, providing those members with the clinical and nutrition support to potentially avoid using GLP-1s or explore other medical alternatives



Require participation to get the plan copay for weight management GLP-1s, to support optimal and sustainable results, including clinically appropriate medication adjustments and helping members titrate down or off medication, if requested



LEARN MORE

What will your members' journey look like? >

CASE STUDY

Our weight management solutions at work

A national employer with 50K members saw GLP-1 costs climbing month over month in 2023. They wanted to continue to cover weight management medications but needed to manage spend.

We helped them implement a weight management program that integrated with their existing prescription benefit plan.

The program included:



Cost management strategies to help ensure coverage of GLP-1s was clinically appropriate and cost-effective



A requirement for members to participate in weight management and nutritional counseling prior to medication coverage



Virtual, personalized support including digital coaching, real-time access to a registered dietitian, and the ability to track biometrics

RESULT

\$5.5M
estimated
annual savings[†]



Diabetes management

Transform Diabetes Care helps members with diabetes better control HbA1C using outreach that's personally targeted based on their specific risks. Only CVS Health can surround members with over 120+ clinically monitored health actions, with digital, virtual, and in-person touchpoints that communicate gaps in care.

- CVS Pharmacy support (including HealthHUB and MinuteClinic)
- Digital, telemedicine, text, mobile, phone
- Health Optimizer Digital App
- Certified Diabetes Care Nurse^{††}

Our comprehensive, clinically based approach ensures that members with diabetes get customized interventions across five clinical impact areas:

- Monitoring blood glucose
- Lifestyle and comorbidity management
- Medication optimization or reduction
- Medication adherence
- Preventive screenings

Interventions include in-person and virtual 1:1 pharmacist and CareTeam consultations, plus support by email, text, and phone. When your members visit the pharmacy, they're already thinking about their health, so it's the perfect time to engage with them. Pharmacists may use social determinants of health as a framework for conversations and to inform ongoing interventions.

This solution uses early identification, individualized support, and unique touchpoints — both face-to-face and virtual — to help lower A1C. Members who also have hypertension receive additional support to help lower blood pressure.[§] Some members can also benefit from reducing their medications.

Lowering medical costs and driving behavioral changes with an individualized diabetes care solution



26%

incremental gap closure for commercial members¹⁰



~35%

estimated decrease on average in diabetes-specific drug spend¹¹



\$24.3M

in medical cost savings per year¹⁰



3:1

ROI observed for commercial clients^{§§}



80% of members with A1C >9 saw an improvement in their A1C¹⁰

Deprescribing

Each person with diabetes has different challenges, so effective treatment needs to be personalized to meet individual goals. For some, reducing or eliminating medications for diabetes is important. Working toward deprescribing medications can lead to healthier behaviors and better outcomes, as well as significant savings.

Deprescribing is an enhancement to the Transform Diabetes Care program that offers personalized nutrition coaching, medication titration support, and convenient access to care for this subset of members with diabetes. A dedicated CareTeam — consisting of registered dietitians and providers who oversee medication adjustments that may include an endocrinologist and the member's PCP — in conjunction with the Health Optimizer interactive app helps improve member health and reduce anti-diabetic medications.

Our deprescribing solution focuses on the ~50 percent of members with type 2 diabetes who use insulin or other high-cost anti-diabetic medications — and they choose whether to opt in.

Average monthly engagement and clinical results from pilot:¹²



1.3

average A1C
decrease



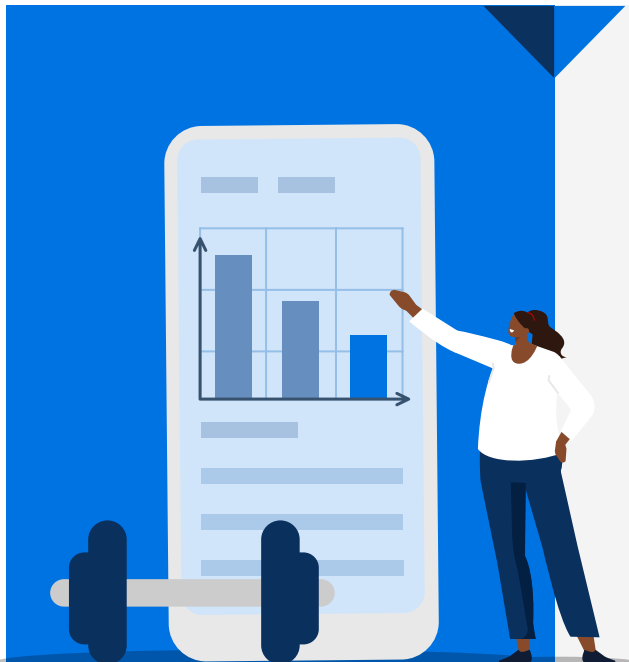
4.9%

average
weight loss



\$4.2K

average annual
savings per member



LEARN MORE

See how California's Valued Trust implemented the deprescribing program to help lower members' medical costs and improve their health outcomes.

[View case study >](#)

Health equity considerations

Over their lifetime, U.S. adults overall have a 40 percent chance of developing type 2 diabetes. People of color are at disproportionate risk for developing the chronic metabolic health conditions of diabetes and obesity.

For example, Black adults are nearly twice as likely as white adults to develop type 2 diabetes.¹³ For Hispanic or Latino adults, the chance is more than 50 percent, and they're likely to develop the condition at a younger age.¹⁴

Obesity is closely linked to diabetes. Black women in particular have the highest rates of obesity compared to other groups in the United States. About 4 out of 5 Black women are overweight or obese.¹⁵

In addition to being very effective in treating diabetes and obesity, GLP-1s have been shown to have benefits for cardiovascular health, another area in which major disparities exist.

A robust set of plan design options, including levers to improve member affordability, can help to improve access to these high-cost drugs.

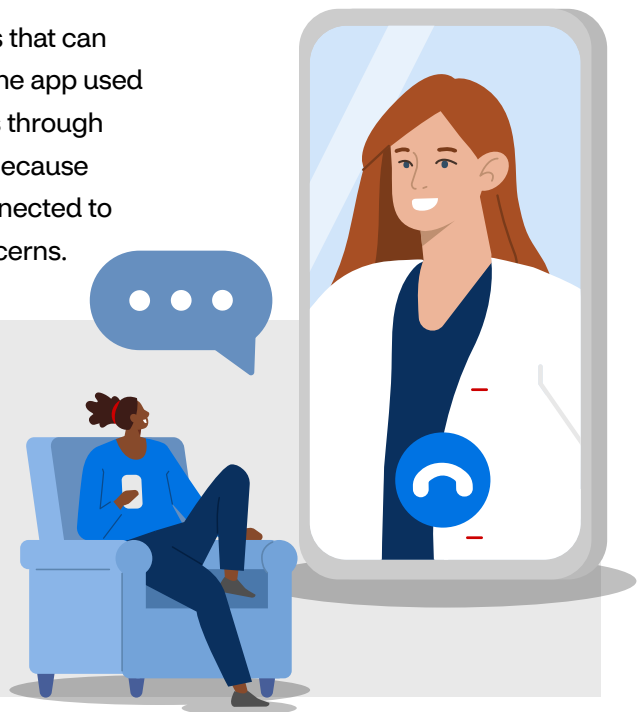
In addition, care management programs can help to bridge the gap with approaches that address disparities – and can help to optimize spend on these costly drugs through behavior modification and support.

Look for programs that deploy proven holistic and culturally relevant models designed to serve this goal. They include critical components that level the playing field for all members, such as:

- A virtual program that improves access regardless of location
- Personalized, diet-agnostic nutrition planning that incorporates geographic and cultural preferences
- An enrollment assessment that incorporates screening for social determinants of health, including mental health status, facilitated by EHR connectivity

Our program also helps to surface the mental health concerns that can be common among members on GLP-1s.¹⁶ Health Optimizer, the app used with the CVS Weight Management program, guides members through screening questions that include items on behavioral health. Because the program integrates with their other benefits, they'll be connected to additional resources to provide support for mental health concerns.

A robust care management program can provide the necessary support to ensure that all members can benefit equitably from improved metabolic health.



4 A seamless experience for members

Integrating your metabolic health solutions with your overall pharmacy benefits provides a cohesive experience for your members, promoting overall member satisfaction.

With that in mind, when evaluating your options, you should ask:

- Will plan members have access to a wide range of providers for weight management?
- Will they have the flexibility to choose how they want to fill their prescriptions?
- Will they get personalized engagement and clinical support that incorporates a complete view of their care, including other programs and prescriptions they might be using?

Our solutions enable a “one-stop shop” experience that incorporates weight management medications with other pharmacy benefits.

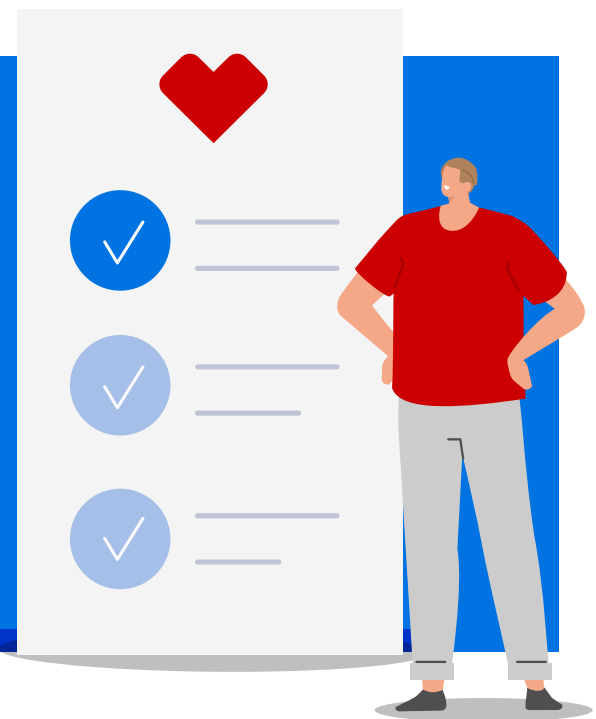
Members will have access to registered dietitians and endocrinologists, who can notify and consult with their primary care providers. Additionally, you would maintain a complete view of their care, enabling identification of care opportunities that can help improve overall health outcomes and save money. This can be lost with a fragmented solution.

LEARN MORE

Integrated solution vs. carve-out

Experts estimate the weight management industry in the United States could reach an estimated \$305 billion in revenue by 2030,¹⁷ which has enticed many newcomers into the business of GLP-1 management. Given how much is at stake, both financially and with regard to the health of your plan members, we understand how important it is to weigh your options.

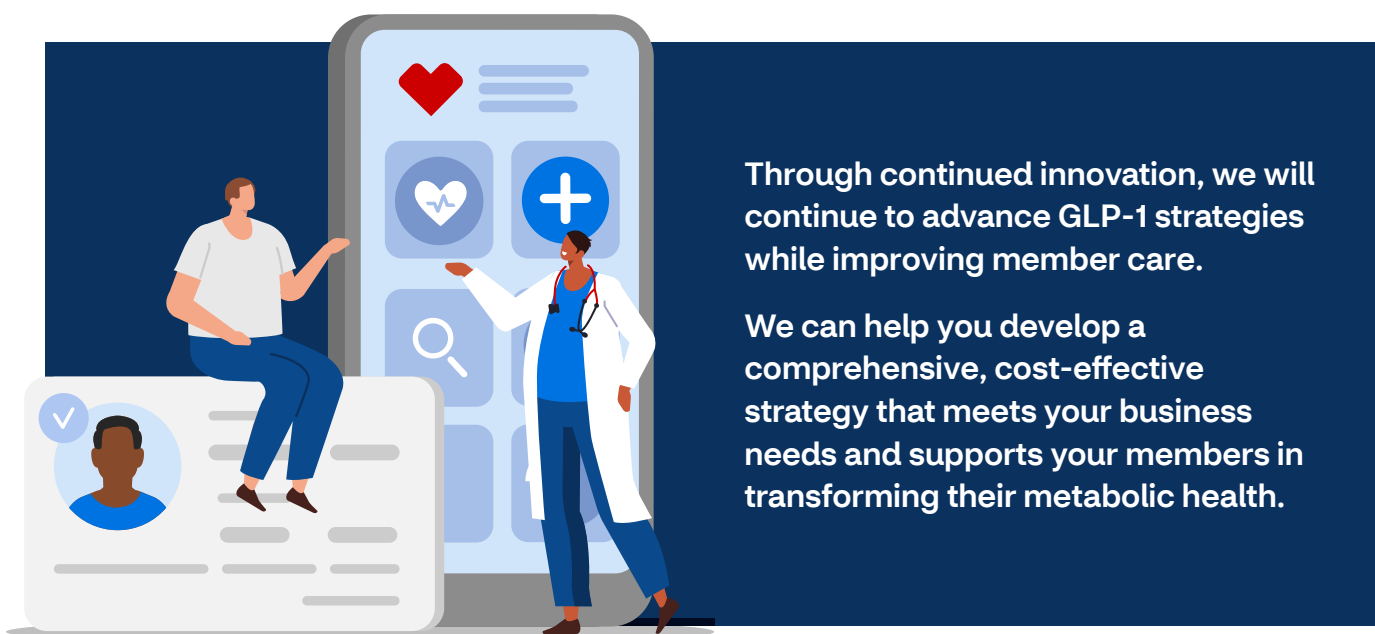
We've developed a [checklist of questions](#) you may want to consider if you are exploring a carved-out solution.



A spectrum of solutions

Balancing cost and coverage for GLP-1s will remain a priority for plan sponsors. Comprehensive GLP-1 management from a single provider offers you program flexibility, clinical effectiveness, and data-driven individualized support. Blunt costs with a range of management strategies: Our spectrum of coverage, cost control, and care management options offers varying levels of stringency.

	Less restrictive, lower savings → More restrictive, higher savings			
Coverage				
Formulary + plan design	Formulary encourages use of preferred low cost drug in category	100% member copay option		Plan benefit design with category exclusion
Cost				
Utilization management	Quantity limits	Smart logic (diabetes only)	Step therapy (diabetes only)	Prior authorization
Care				
CVS Weight Management program	Voluntary (no benefit integration)			Mandatory clinical engagement (co-therapy)



Through continued innovation, we will continue to advance GLP-1 strategies while improving member care.

We can help you develop a comprehensive, cost-effective strategy that meets your business needs and supports your members in transforming their metabolic health.

* Off-label use defined as uses not supported in FDA-approved labeling or recognized in clinical compendia or evidence-based guidelines.

**The Weight Management UM Bundle is available to clients utilizing the following template formularies: Advanced Control Formulary, Advanced Control Formulary Chart, Advanced Control Choice Formulary, Basic Control Formulary, Basic Control Formulary Chart, Standard Control Formulary, Standard Control Formulary Chart, Standard Control Choice Formulary, Standard Opt-Out, and Standard Opt-Out Chart. There may be rebate impact to adopting the Weight Management UM Bundle. There are no additional charges to implement the Weight Management UM Bundle. Clients will pay the appropriate PA and appeals fees depending on their respective contracts.

† Includes select non-GLP-1 weight management agents: benzphetamine, diethylpropion, phendimetrazine, phentermine.

†† 2:1 ROI guarantee applies to the CVS Weight Management program, with incremental savings through benefit integration.

‡ Savings projections are based on CVS Health data. 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.

‡‡ Certified Diabetes Care Nurses do not diagnose or treat conditions. Their role is to connect members to appropriate resources and help identify and close gaps in care.

§ Available at an additional cost.

§§ 3:1 Conditions for ROI guarantee apply, and full guarantee requires final sign-off by CVS Caremark Actuarial and Underwriting. Patients' actual results may vary.

1. <https://www.cdc.gov/obesity/data/adult.html>.
2. <https://www.cdc.gov/chronicdisease/resources/publications/factsheets/diabetes-prediabetes.htm#ipa>.
3. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3066828>.
4. <https://www.cdc.gov/heartdisease/facts.htm>.
5. <https://www.diabetes.co.uk/diabetes-and-obesity.html>.
6. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1762038>.
7. <https://www.morganstanley.com/ideas/obesity-drugs-investment-opportunity>.
8. Savings in the GLP-1 weight management class from low net cost and UM strategies. CVS Health Analytics, July 2023. PBM claims data for CVS Health Book of Business, Commercial Clients (health plan + employer). Claims data for restricted clients excluded. UM savings sourced from PA episode summary data. Rebates through actual spend computed using claim level rebates. Actual results may vary depending on benefit plan design, member demographics, programs implemented by the plan and other factors.
9. CVS Health Analytics, 2023. PBM claims data for CVS Health Book of Business, Commercial Clients (Health Plan + Employer), April 15 – November 30, 2023. Claims data for restricted clients excluded. Actual results may vary depending on benefit plan design, member demographics, programs implemented by the plan and other factors.
10. CVS Health Analytics, 2022. Data from 2021. Actual results may vary. 1.) Two approaches were employed to derive a rate card that can tie closure of care gaps to Medical Cost Savings (MCS): (A) Estimated the value of closing a care gap statistically based on its observed impact on improving A1C and used values from medical literature to estimate how improvement in A1C translates to dollars of MCS; and (B) Used literature to estimate the value of closing care gaps that aren't expected to directly drive improvements in A1C outcomes. Relative rates were then scaled such that the rate card times incremental gaps closed is equal to a conservative estimate of MCS for enrolled members. As part of its ongoing quality improvement activities, CVS Caremark conducted a retrospective assessment of program quality using established standards. Health outcome results, savings projections, and performance ratings are based on CVS Caremark data. 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.
11. Analysis estimates 30% average decrease in diabetes-specific drug spend based on before and after analysis of Virta program results. This estimate was corroborated by published Virta studies.
12. DeRx Pilot Results, date range: November 2022 to February 2023.
13. <https://www.nih.gov/news-events/nih-research-matters/factors-contributing-higher-incidence-diabetes-black-americans>.
14. <https://www.cdc.gov/diabetes/library/features/hispanic-diabetes.html>.
15. <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=4&lvlid=25>.
16. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6052856>.
17. <https://www.custommarketinsights.com/report/us-weight-loss-market>.

This document contains references to brand-name prescription drugs that are trademarks or registered trademarks of pharmaceutical manufacturers not affiliated with CVS Health.