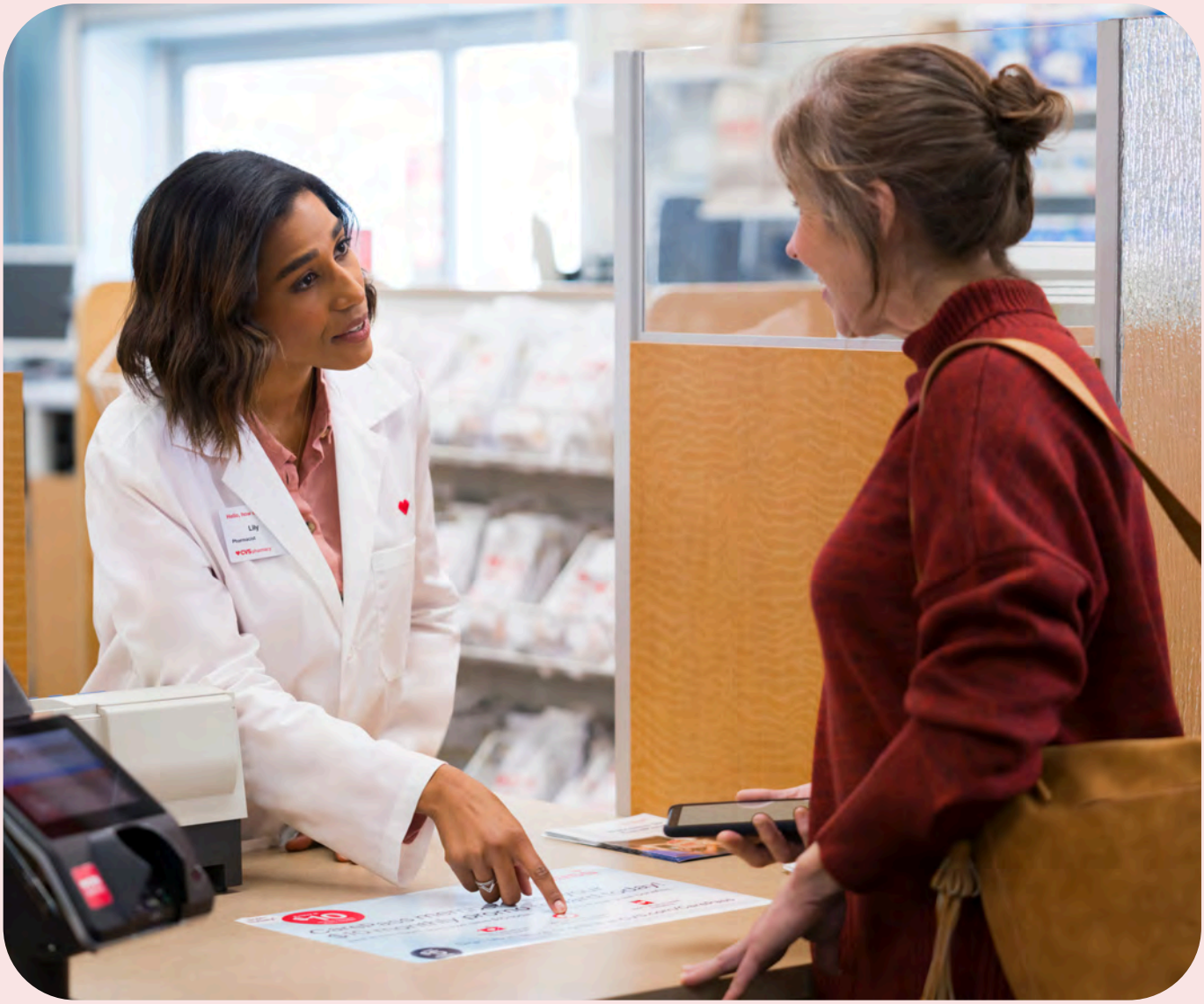
CVS caremark®

The state of pharmacy management



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ebn Employee Benefit News

The state of pharmacy management

Today's pharmacy landscape is evolving rapidly. New specialty therapies, growing employee expectations and increasing pressure to manage costs are reshaping how employers think about pharmacy benefits.

To better understand how benefits leaders are navigating these changes, CVS Caremark®, in partnership with Employee Benefit News (EBN), surveyed more than 170 HR decision makers and executive leaders.

The survey revealed that employers are looking to PBMs to help them address three key needs:

Navigate rising pharmacy costs

Balance affordability with innovation

Manage access to blockbuster treatments

"The value CVS Caremark delivers starts with listening closely to employers and understanding what matters most to them – more visibility, more predictability and more flexibility as they manage pharmacy benefits in a rapidly changing market."

– Ed DeVaney, President, CVS Caremark

Above all, employers want greater cost control

Employers are sending a clear message that affordability remains their top pharmacy benefits priority.

91% Concerned about high medication costs for employees

71%
Very concerned about high medication costs

87%
Say PBMs' greatest opportunity is improving cost transparency

This urgency reflects the growing pressure on benefits leaders to manage pharmacy spend while preserving affordable access to the medications employees need.

As an integrated PBM, CVS Caremark leverages its negotiating strength and buying power, clinical expertise and formulary strategy to help employers manage pharmacy costs and improve access to care. CVS Caremark clients realize up to $115 in savings per member, per month, contributing to a 97%+ client retention rate over the past decade.[1, 2]

The CVS Caremark TrueCost™ model gives employers direct visibility into acquisition-based pricing and drug-level rebates, combining transparency with pricing predictability so benefits teams can better manage pharmacy spend, make more informed decisions and maintain employee access to needed medications.

What this signals

Cost transparency and pricing predictability are the through-line in employer expectations.

Balancing affordability and innovation for today's workforce

As specialty medications continue to reshape pharmacy spending, employers are looking for ways to balance innovation with long-term affordability while maintaining access to high-quality care.

Specialty and biosimilar signals

64%

Say expanding access to affordable specialty drugs is PBMs' greatest opportunity to improve

43%

Say specialty drug access is a top factor when choosing a PBM

Biosimilars have become an increasingly important strategy for managing specialty drug costs while maintaining access to effective, high-quality therapies. This approach is gaining traction with employers:

49% Currently encouraging biosimilar substitution

40% Actively considering or exploring the approach

12% Educating employees about biosimilar cost savings

As adoption gains momentum, the survey points to a clear opportunity to improve awareness. Helping employees better understand the safety, effectiveness and affordability of FDA-approved biosimilars can build confidence, encourage adoption and maximize savings for both employers and their members.

At CVS Caremark, biosimilars are a key part of our strategy to expand access to lower-cost treatment options while helping employers manage specialty drug spending. As the first PBM to remove Humira® from major national commercial template formularies in favor of biosimilars, CVS Caremark helped clients and members realize $1.5B in gross savings.[3]

We have since expanded biosimilar adoption across additional specialty categories, including multiple sclerosis and rare blood disorders. Our recent formulary update on July 1, 2026, favors lower-cost, interchangeable biosimilars over Stelara®, and most members will pay $0 out-of-pocket for their therapy.

What this signals

Biosimilars create a clear opportunity to improve awareness and unlock savings.

Navigating new priorities in pharmacy benefits

Along with cost transparency and biosimilar adoption, there are other emerging focus areas when it comes to benefits coverage.

The survey suggests weight management and women's health concerns are no longer emerging benefits — they're becoming long-term priorities for employers. Employers believe that pharmacy benefits are "here to stay" for:

79%

weight-loss coaching

77%

GLP-1 coverage

74%

Women's health beyond menopause

Employers are looking to PBMs to help them navigate the accelerating utilization of weight management treatments, with 77% of employers expressing concern about the high cost of GLP-1s and 80% having either already limited GLP-1 coverage for weight loss or actively considering limits.

Employer concern

77% Concerned about the high cost of GLP-1s

Employer action

80% Have already limited GLP-1 coverage for weight loss or are actively considering limits

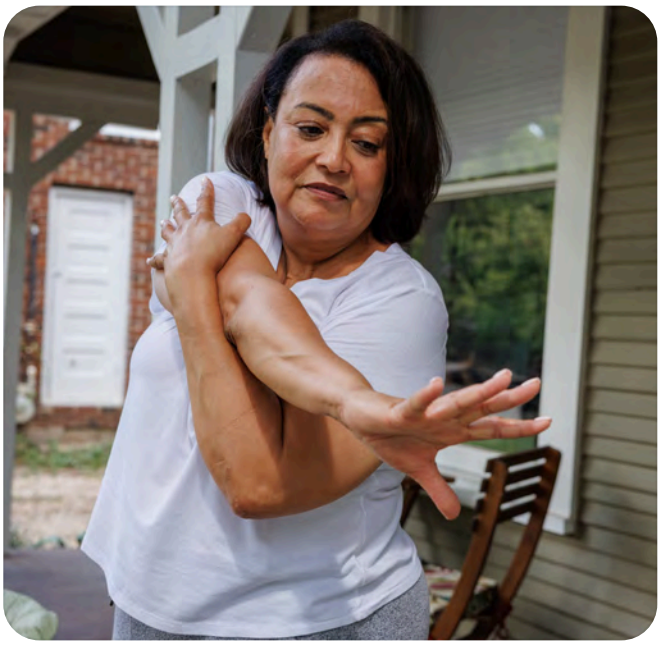
Through clinically-guided holistic benefit strategies, CVS Caremark helps employers tailor GLP-1 management to the needs of their employee population, combining personalized clinical and nutrition support with sustainable approaches to coverage.

One example is the CVS Weight Management™ program, which pairs personalized coaching and accountability to support better health outcomes while optimizing GLP-1 use. Employers and health plans that adopt the program report up to 26% lower spending on GLP-1 weight loss medications compared with those without the program, accompanied by improved weight loss results and participant satisfaction.[4]

On average, participants achieved more than 15% weight loss, with existing weight management medication users nearly doubling their pre-program weight loss.[5]

What this signals

Weight management and women's health are becoming long-term priorities for employers.



Digital innovation matters more than ever

Digital innovation and enablement are essential to how employers conceptualize the member experience.

CVS Caremark invests over $770M in technology each year dedicated to member innovation.[6] Deploying new processes and technology, combined with human touch and clinical expertise, has helped members receive critical medications quickly.

By streamlining the prior authorization approval process, CVS Caremark has reduced the median process time to just 12 minutes, with nearly 4 million prior authorizations approved instantly.[7] As a founding partner of the Coalition for Health AI (CHAI), CVS Caremark is also helping lead the way in safe and ethical use of AI in health care, all in support of improved member outcomes and experience.

$770M+

Invested in technology each year dedicated to member innovation

4M

Prior authorizations approved instantly

12 min

Reduced median prior authorization process time

Employer trends

88%

Say digital tools and innovation as part of the health care experience are here to stay

Methodology

This study was performed through an online platform between March 3, 2026 and March 19, 2026, involving 171 verified participants. Eligibility required employment at an organization with a minimum of 50 benefits-eligible staff and the provision of health coverage. Participants were selected from sectors including human resources, finance or corporate leadership, holding direct accountability for or management of total rewards, wellness initiatives and pharmacy benefit programs.

Endnotes

1. CVS Health Analytics, 2024. CVS Health Q4 2024 commercial cohort that have implemented Advanced Control Specialty Formulary (ACSF) (>95% of plan lives), Exclusive Specialty (>95% of plan lives) and Standard Specialty Guideline Management (SGM) (>95% of activity in standard criteria), January-December 2024. Savings consider prior authorization, formulary and quantity limit outcomes with 0.5% pricing discount for Exclusive Specialty and full rebate yield attributed to ACSF. PrudentRx savings are actual outcomes for clients with adoption on or prior to Jan. 1, 2024, and >70% members eligible and used as a proxy for clients that currently do not have adoption. Total program savings represents commercial clients with adoption. All data sharing complies with applicable law, our information firewall and any applicable contractual limitations. Savings projections 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. P1018231025
2. CVS Caremark book of business reporting, 2025. P1018201025
3. CVS Health Analytics, 2026. CVS Commercial clients April 2024 - Dec 2025.
4. CVS Health Analytics, 2024. Weight Management Results. Data from August 2023 through September 2024. 265K Total Covered Lives, as of 9/30/24.
5. CVS Health Analytics, 2024. Weight Management Results. Data from August 2023 through September 2024. 265K Total Covered Lives, as of 9/30/24.
6. CVS Health Analytics, 2025.
7. CVS Health Analytics, 2026.