



# Calendar Year 2025 Benefit Review

*Presented by*

Roberta Ferdinand, Senior Account Executive

USI Insurance Services



# AGENDA

Answering questions from September 3, 2024 Commissioners Meeting

- Explore Alternatives for GLP-1 coverage for Anti-obesity format only

This discussion excludes GLP-1s for Type2 diabetics. There is no change for those covered.



# Market Evolution: GLP-1s (2 formats: Diabetic for Type2 and Anti-Obesity)

## GLP-1s: designed to address diabetes with diet & exercise

- Slows gastric emptying to reduce hunger
- Increases insulin production
- Aids in weight loss

## Two Main Classes & Market Demand

- More expensive diabetic drugs – Endocrinologists have moved to first line treatment
- Weight loss drugs – 33% of US population is obese and 40% is overweight

## What we know

- Several state Medicaid agencies including NC now cover GLP-1s for weight loss
- NC State Health Plan effective 4/1/24 does not cover GLP-1s for weight loss
- Medicare does not cover GLP-1s for weight loss
- No states require coverage for commercial health insurance at this time
- No oral GLP-1s in market to date



# Buncombe County current utilization of GLP-1s

## Demand

- 8 GLP-1's Exist: 5 for Diabetes, 3 for Obesity

### Diabetes GLP1s – 1/1/24 – 8/24/24

	# of Scripts	# of unique utilizers	Plan Paid	Member Cost
<b>GLP1s:</b>				
Mounjaro	199	49	\$224,457.75	\$7,113.10
Ozempic	537	110	\$571,709.06	\$20,771.53
Rybelsus	31	9	\$36,832.69	\$1,360.00
Trulicity	73	23	\$76,684.63	\$2,722.00
Victoza	3	1	\$2,234.04	\$150.00
<b>Total</b>	<b>843</b>	<b>169*</b>	<b>\$911,918.17</b>	<b>\$32,116.63</b>

### Weight Loss GLP1s – 1/1/24 – 8/24/24

	# of Scripts	# of unique utilizers	Plan Paid	Member Cost
<b>GLP1s:</b>				
Saxenda	11	5	\$13,926.52	\$550.00
Wegovy	212	57	\$274,620.17	\$10,350.00
Zepbound	204	56	\$208,139.71	\$9,800.00
<b>Total</b>	<b>427</b>	<b>108*</b>	<b>\$496,686.40</b>	<b>\$20,700.00</b>

\* sum of unique utilizers will not equal the total of unique utilizers as some utilizers will fill more than one type of GLP-1



# Recommended Action

## Recommended changes to the Buncombe County Medical and Rx Plan for 2025:

- Increase to Employee Contributions (\$340K)
- Modify coinsurance for Standard Plan (\$55K)
- Increase Deductible and Maximum Out of Pocket on HSA plan as required by IRS (\$5K)
- No longer Cover GLP-1s an GIP-GLP-1 agonist medications for the purpose of weight loss (non-diabetic)
- There will be no change to GLP-1 coverage for diabetes treatment

The changes outlined above result in an additional annual increase of \$1.8M broken out as follows:

- County: + \$1.4 M
- Employee Cost Share: +\$400K

## Commissioner's Question # 1

A. Would the county still cover some weight loss medications?

Q. Yes, the county would still cover front line weight loss medications that have been available:

- Phentermine, Qsymia, Benzphetamine, Diethylprop, Lomaira, Contrave, Zenical



# Commissioner's Question # 2

Q. What would the cost impact to the plan be should we continue to cover GLP-1s as we do today?

A. Buncombe County's costs for GLP-1s for weight loss (non-diabetic) through August 2024 are \$497K. The recommended action removes this cost from the 2025 and future budgets. Conversely, should the cost of covering these drugs continue, approximately \$500K would have to be added to the budget for 2025 and compounded annually.

The County would still move forward with the following plan design changes:

- Increase to Employee Contributions
- Modify coinsurance for Standard Plan
- Increase Deductible and Maximum Out of Pocket on HSA plan as required by IRS
- There will be no change to GLP-1 coverage for diabetes treatment

The changes outlined above result in an additional annual increase of \$2.2M broken out as follows:

- County: + \$1.8M
- Employee Cost Share: +\$400K



# Commissioner's Question # 3

Q. What would the cost impact to the plan be should we continue to cover GLP-1s and incorporate a Weight Management Program?

A. As previously indicated, Buncombe County's costs for GLP-1s for weight loss (non-diabetic) through August 2024 are \$497K. Continuing to cover the cost of these drugs would increase the budget by approximately \$500K minus the estimated savings of the program. Additionally, the cost of the weight management program would be incorporated into the budget.

The County would still move forward with the following plan design changes:

- Increase to Employee Contributions
- Modify coinsurance for Standard Plan
- Increase Deductible and Maximum Out of Pocket on HSA plan as required by IRS
- There will be no change to GLP-1 coverage for diabetes treatment

The changes outlined above result in an additional annual increase of \$2.1M broken out as follows:

- County: + \$1.7M
- Employee Cost Share: +\$400K



# Commissioner's Question # 4

Q. Can the copay for these drugs be increased?

A. Yes, currently the copay for these drugs is approximately \$50 per script. Most plans provide coverage for expensive prescriptions with coinsurance and a cap on the dollar amount. This amount is typically around \$200. We are proposing increasing the copay to \$200 for these drugs.

The County would still move forward with the following plan design changes:

- Increase to Employee Contributions
- Modify coinsurance for Standard Plan
- Increase Deductible and Maximum Out of Pocket on HSA plan as required by IRS
- There will be no change to GLP-1 coverage for diabetes treatment

Copoly for GLP-1s for Weight Loss <i>427 prescriptions through August 2024</i>		
Copay	8 Months	Annualized
Current copay \$50	427 scripts X \$50 copay = <b>\$20,700</b>	641 scripts X \$50 copay = <b>\$31,050</b>
Proposed Copay \$200	427 scripts X \$200 copay = <b>\$85,400</b>	641 scripts X \$200 copay = <b>\$128,100</b>
Difference	- \$64,700	- \$97,050





# Commissioner's Question # 5

- Q. Is the \$142 per participant per month cost of VIDA Weight Management Program on a month to month basis? Or once you engage, you are locked in for the year?
- A. \$142 per participant per month is charged monthly until they are no longer utilizing the program. The length of participation can vary by member depending on each need.



# Summary of Cost Impact

	1/1/24 - 8/24/24	Annualized
<b>Drug Costs</b>		
GLP-1s for Weight Loss	\$497,000	\$745,500
40% VIDA cost savings	\$298,200	\$447,300
<b>Difference</b>	<b>(\$198,800)</b>	<b>(\$298,200)</b>

<b>Drug Copays</b>		
# of Scripts	427	641
\$50 Copay	\$20,700	\$31,050
\$200 Copay	\$85,400	\$128,100
<b>Difference</b>	<b>(\$64,700)</b>	<b>(\$97,050)</b>

<b>VIDA Weight Management Program Cost</b>			
PMPM	# of members	8 Month Cost	Annual Cost
\$142	108	\$122,688	\$184,032
<b>Net Program Cost</b>		<b>\$57,988</b>	<b>\$86,982</b>

<b>Projected Net Cost for 2025</b>		
Covering GLP-1s for Weight Loss with weight management program - (VIDA)	\$356,188	\$534,282
Covering GLP-1s for Weight Loss without weight management program	\$432,300	\$648,450

The projected costs of GLP-1s for weight loss for 2025 are assessed by using both actual YTD claims (1/1/24 – 8/24/24) and then annualizing for overall consistency when evaluating all of the claims data.

Access to these medications for weight loss, as has been indicated, is a very recent development. As more information becomes available and possible changes to application of these medications emerge, there is the possibility of these projected costs to be impacted by those changes.

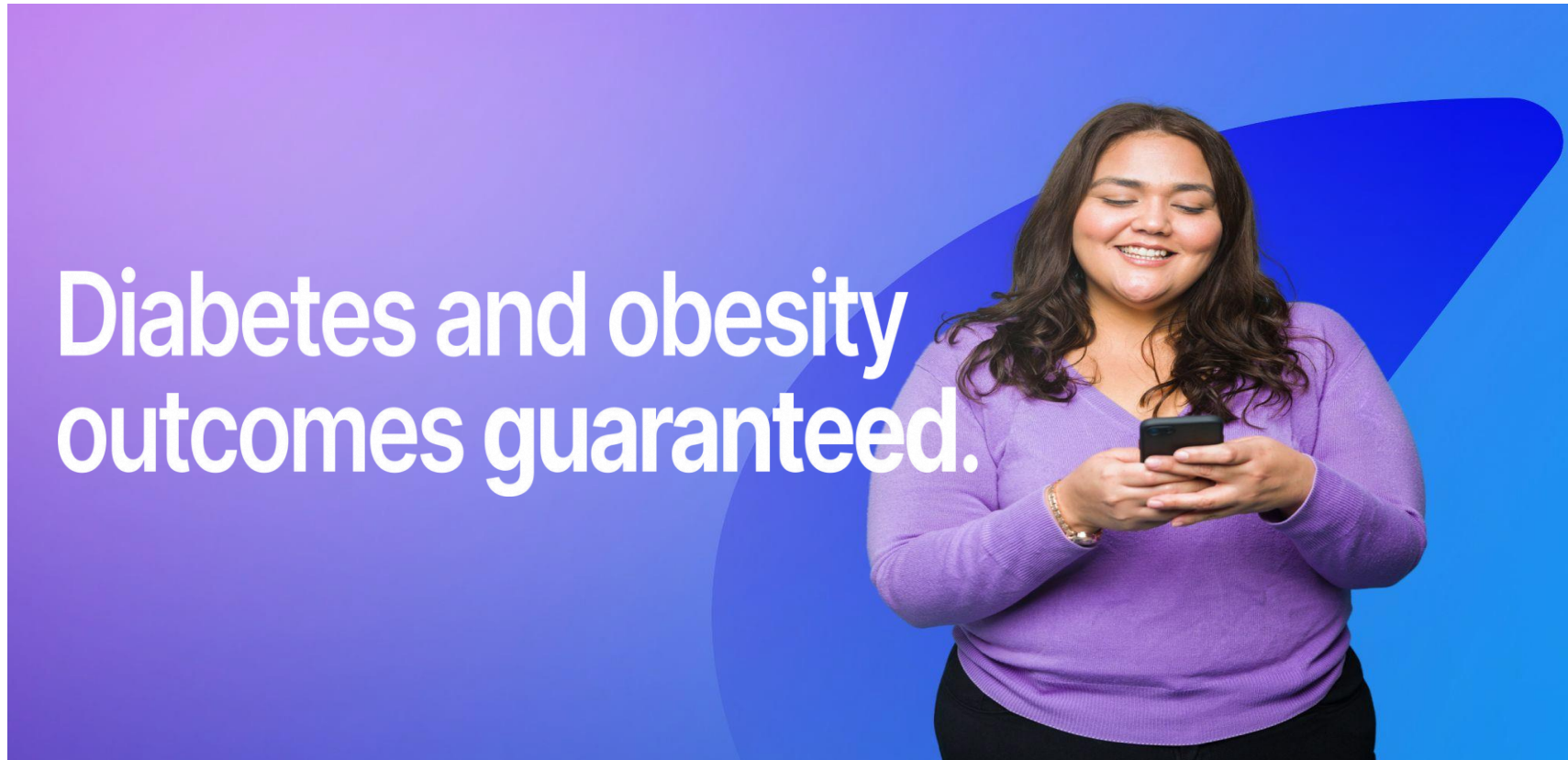


# VIDA Program Highlights



# GLP-1 Prescription Cost Management

VIDA provides personalized care to support GLP-1 for Weight Management



# Vida Programs Overview

Recommended Program



Diabetes Prevention Program	Weight Management	GLP-1 for Weight Management (available for Prime carved in business as of 1/1/25)
<b>Integrated mental health with cognitive behavioral therapy principles</b>		
Coach Led	Coach Led	Registered Dietician Led
<p><b>Behavior change</b> Self-monitoring with devices and trackers, exercise, educational content, skill building and screening/assessment</p> <ul style="list-style-type: none"> <li>• CDC approved curriculum (1 year req.)</li> <li>• 16 sessions in the first 6 months of the program and 6 sessions in the second 6 months</li> <li>• DPP certified coaches help participants make lasting changes</li> </ul> <p><b>Goal: non-progression to diabetes</b></p>	<p><b>Nutritional coaching</b> Culturally adapted eating plans, personalized support for meal prep and planning</p> <p><b>Behavior change</b> Self-monitoring with devices and trackers, exercise, educational content, skill building and screening/assessment</p> <p><b>Goal: Weight loss</b></p>	<p><b>Obesity-tailored MNT and CBT</b> Enhanced MNT (increased frequency and longer duration) with support for emotional eating</p> <p><b>Medical weight loss care, anti-obesity medication prescribing</b> Metformin, topiramate, zonisamide, Contrave, Wegovy, Saxenda, Zepbound</p> <p><b>Goals:</b> GLP-1 trend mitigation Medical weight loss Clinical control of FBG, HTN, LDL</p>
An employer whose <b>primary goal is to manage prediabetes</b> and offer preventive, behavior-change, driven care across a broad population	An employer whose <b>primary goal is to manage obesity/weight</b> and offer preventive, behavior-change, driven care across a broad population  GLP-1s/other AOMs are <b>not covered</b> on formulary	An employer whose <b>primary goal is to manage obesity and curb Rx spend on GLP-1s</b> through evidence-based, clinical obesity management  GLP-1s/other AOMs are <b>covered</b> on formulary



# How does VIDA work?

Vida's obesity and comorbidities management helps you control total cost of care and cost trends for GLP-Is



<p><b>1</b></p> <p><b>Clinical assessment</b> by MD/NP/RD</p> <p><b>Immediate pharmacotherapy</b> when clinically indicated</p>	<p><b>2</b></p> <p><b>Coaching</b></p> <p><b>Medical Nutrition Therapy</b></p> <p><b>Cognitive Behavioral Therapy</b></p>	<p><b>3</b></p> <p><b>Clinical diabetes / obesity treatment</b> as indicated – while improving affordability</p>	<p><b>4</b></p> <p><b>Side effect management</b></p> <p><b>Medication Adherence</b></p> <p><b>Weight loss and cardiovascular risk reduction tracking</b></p>	<p><b>5</b></p> <p><b>Sustainable outcomes</b></p> <p><b>Step down</b> as appropriate</p>
---	---	--	--	---

Total Cost of Care /  
GLP-I trend mitigation

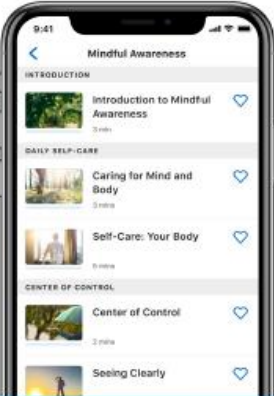
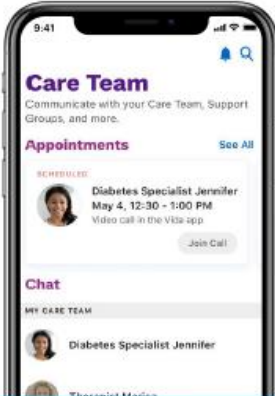
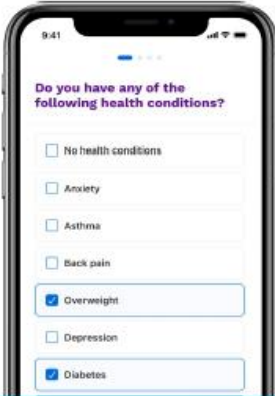
7-10%  
Weight loss

Clinical control of  
A1c, FBG, HTN, LDL

Improved  
quality of life

# Vida Member Experience

## A member's journey along a personalized care path



Onboard



Meet care team and build care plan



Follow care plan, adjust as needed



Monitor data with devices and labs



Sustain change

**89%**

of members regularly engage with their provider

**80/91**

Overall/Spanish net promoter score

**75%**

retention at six months

