BUNCOMBE COUNTY GOVERNMENT

2027 HEALTH PLAN RECOMMENDATIONS

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Agenda

- 2027 Recommendations

1. Pharmacy
   - RxSave Card Program Overview
     (for Weight Loss Medications, not Diabetic Drugs)
   - Pharmacy Benefit Manager (PBM) Change

2. 2027 Other Benefit Changes

- Next Steps

RxSaveCard – 2027 GLP-1 Management Strategy for Weight Loss Medications

The recommended GLP-1 savings strategy for 2027 is for the County to remove GLP-1 medications prescribed for weight management from the BCBS formulary, eliminating coverage through the medical plan. Instead, the County would implement an RxSaveCard program to provide financial assistance for eligible employees prescribed these medications.

Program Overview

- Employees would obtain a GLP-1 prescription directly from their physician rather than through the VIDA program.
- Employees would use an RxSaveCard website or app to obtain access to online participating pharmacies as directed by the respective drug manufacturer, accessing direct-to-consumer pricing that is significantly lower than traditional insurance pricing.
- The County would fund the RxSaveCard program, and employees would pay a predetermined copay amount at the point of sale, with the balance of cost funded by using the RxSaveCard digital program.
- Employees must have a personal credit card that can be loaded into the RxSaveCard site to fund their copay, and they must have an active email address to use the program.
- Employees may upload BMI verification documentation through the RxSaveCard app to confirm eligibility.

RxSaveCard – 2027 GLP-1 Management Strategy

Financial Advantages

- Direct-to-consumer pricing creates savings for both employees and the County compared to traditional insurance reimbursement rates.
- Employees benefit from lower personal costs and a simplified purchasing process.
- Based on 2025 utilization data, projected annual savings for the County exceed $565,700.

Employee Cost Share Recommendations

- Weight Management Only: Recommended employee copay of $100 per prescription, aligning with the County's current highest pharmacy copay tier.

RxSaveCard – 2027 GLP-1 Management Strategy

Items to Note

- Employee copays will not be applied to their deductible nor to the out of pocket maximum for the year.
- RxSaveCard only allows home delivery. Prescriptions cannot be picked up.
- VIDA will no longer provide oversight and coaching for GLP-1 weight management. VIDA is a Blue Cross Blue Shield partner and does not partner with RxSaveCard.
- VIDA will no longer be the provider for any weight management support. Buncombe County is currently looking at options to provide weight management support through a different vendor.

RxSaveCard Savings Analysis

	Current 2026 Costs	Proposed 2027 costs
Employee co-pay	$200	$100
Net Employer cost (after rebates)	$700-$900	$200-$350
Net employer cost based on 2025 utilization	$1,035,600	$443,856



Pharmacy Benefit Manager Options for 2027

Pharmacy Benefit Manager (PBM) Review

Key Considerations for Management

- Blue Cross Blue Shield of North Carolina has announced that Prime Therapeutics will no longer serve as its Pharmacy Benefit Manager (PBM) beginning in 2027. As part of our renewal strategy, USI conducted a PBM market evaluation and identified two primary options:

  1. Remain with BCBSNC and transition to their default PBM, Optum.

  OR

  2. Carve out pharmacy benefits from BCBSNC and contract directly with Employers Health-CVS (EHCVS) as the PBM.

- Both options represent a change from the County's current pharmacy arrangement and would require implementation of a new formulary. As a result, some level of member disruption is expected regardless of the option selected.

- Given the similarities between the two approaches, the primary differentiator is financial performance.

- RECOMMENDATION -Based on our analysis, Employers Health - CVS delivers significantly stronger rebate guarantees and overall pharmacy economics, generating approximately $1.43 million in savings compared to the current renewal terms with BCBS/Optum.

- Employers Health – CVS includes thousands of national network pharmacies. Members are NOT restricted to using CVS only. Examples include Ingles, Walgreens, Walmart, Sam's Club, etc.

Pharmacy Benefit Manager Advantages

Advantages of Employers Health - CVS

- Estimated savings of approximately $1.43 million in compared to the current renewal terms with BCBS/Optum. A significant driver are the more favorable drug rebate arrangements.
- Competitive pharmacy benefit management model.
- Member transition support, including proactive outreach to affected participants.
- Member Communication: Employers Health - CVS will proactively identify impacted members and conduct outreach approximately 90 days prior to implementation to help facilitate any necessary medication transitions.

Items to Note

- Separate Pharmacy ID Card: A pharmacy carve-out may require employees to carry and utilize a separate prescription insurance card, which differs from their current experience under the integrated BCBSNC model.

- Formulary Changes: Some members may need to transition to therapeutically equivalent alternatives if their current medication is not included on the new formulary. In addition, certain employees could experience higher or lower copays depending on the medication.

Pharmacy Benefit Manager Recommendation

Recommendation

While both BCBS Optum and Employers Health - CVS involve formulary changes and some level of employee disruption, the projected $1.43 million in additional savings makes Employers Health - CVS the stronger financial option.

The carve-out approach provides a substantial opportunity to reduce pharmacy costs while maintaining access to clinically appropriate medications and offering transition support to affected employees.

Coverage Highlights and Updates

Confirmed Changes for January 1, 2027

- ✓Employee Medical Premium increases
- ✓HDHP deductible and out of pocket maximum increases as required by the IRS
- ✓Increase to County contribution to Health Savings Account to one half of new HDHP deductible
- ✓VOYA Accident and Critical Illness insurance – employee premium increase
- ✓Flexible Spending Account / Dependent Care FSA – new vendor

Pending Board of Commissioner Approval for January 1, 2027 changes

- Approve removal of GLP-1 weight management drugs from the pharmacy formulary and activate RxSaveCard option
- If RxSaveCard option approved, also approve $100 employee co-pay amount
- Approve carve out of pharmacy benefit manager to Employers Health - CVS



- Buncombe County Board of Commissioners
  - August 18th – BOC briefing
  - September 1st – BOC regular meeting to vote on recommended changes

- Proposed Implementation Schedule (pending approval)

To allow a January 1, 2027 effective date:

  - EHCVS: Target implementation kickoff during the week of September 1st
  - RxSaveCard: Target implementation kickoff during the week September 1st

- Employee Communication & Support
  - Communicate upcoming changes to plan participants
  - Provide educational materials and communication resources

- USI Support
  - Project management and implementation coordination
  - Employee communication strategy support
  - Ongoing education and support throughout the rollout

Questions & Discussion

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