North Carolina State Health Plan
PBM Webinar

October 23, 2025
4PM ET

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PBM RFP Modules

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PBM RFP – Scope of Services by Module

The purpose of this RFP for Pharmacy Benefit Services is to select a vendor that will enable State of NC to meet their Pharmacy objectives by delivering on the following scope of services in a superior and cost-effective manner to each of their current lines of business.

	Module 1: Claims Processing	Module 2: Formulary/Utilization/Rebate Mgmt.	Module 3: Mail Order/Specialty Pharmacy
Claims processing	✓	✓	
Retail network management	✓	✓	
Mail Order Fulfillment			✓
Clinical management services and administration		✓	✓
Specialty Pharmacy services			✓
Formulary support and rebate management		✓	
Superior member services and call center	✓	✓	✓
Eligibility	✓		
Implementation support	✓	✓	✓
Account management services	✓	✓	✓
Digital Experience	✓	✓	✓
Data management and reporting capabilities	✓	✓	✓

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PBM Module #1: Claims Adjudication

- **Electronic claims processing** – Includes all claims through all dispensing channels.
- **Account Management**
- **Member Services** (help desk, ID cards, member communications, member engagement tools, administrative (non-clinical) coverage determinations)
- **Eligibility and accumulator services**
- **Pharmacy Network Services** - may include all channels but the Plan reserves the right to carve out mail order and/or specialty pharmacy services). Pharmacy Network Services includes pharmacy help desk, pharmacy payment/invoicing services, pharmacy database for member lookup search, credentialing, audits, and special community pharmacy collaboration initiatives, where applicable.
- **Concurrent Drug Utilization Review (CDUR)**
- **Full-Service Implementation support**
- **Reporting**

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PBM Module #2: Formulary and Utilization Management

- **Formulary Management**, including Pharmacy and Therapeutics (P&T) Committee.
- **Rebate administration –** including flexible contracting options enabling exclusive/limited products within specific therapeutic categories. Rebate contracts will not dictate coverage policies.
- **Utilization Management** – including prospective and retrospective drug utilization review (PDUR and RDUR), Fraud, Waste, and Abuse (FWA) Program.
- **Prior authorization/reconsideration review** – including electronic prior authorization management system, member portal/engagement allowing status updates, ability to require documentation vs. attestation and conduct extensive audits on
- **Full-Service Implementation support**
- **Reporting**

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PBM Module #2: Pharmacy & Therapeutics (P&T) Committee

- In 2017, the State Health Plan launched a “closed formulary” which means not every available medication is on the formulary (aka list of coverage drugs).
- NC Statute requires the State Health Plan to have P&T Committee for a closed formulary:
  - *Pursuant to N.C.G.S. §§ 135-48.51(2) and 58-3-221(a)(1) the North Carolina State Health Plan (Plan), by maintaining a closed formulary, must develop the formulary and any restrictions on access to covered prescription drugs or devices in consultation with and with the approval of a pharmacy and therapeutics committee, which shall include participating physicians who are licensed to practice medicine in North Carolina.*
- The Committee is composed of nine or more voting members, who are licensed physicians or pharmacists in North Carolina. These members represent a variety of specialties and a broad spectrum of primary care providers

PBM Module #2 : Role of P&T Committee

- Meets quarterly to approves all changes to the formulary including formulary additions, utilization management programs, product exclusions, and tier changes.
- Present formulary recommendations to the Plan for adoption, subject to the Plan's approval.
- Serve in an advisory capacity to the Plan on other matters when needed
- Forward process will include a framework for value.

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PBM Module #3: Specialty Pharmacy and Mail Order Pharmacy

- Pharmacy dispensing and shipping
- Customer Service
- Support of Plan's formulary and coverage policies
- Full-Service Implementation support
- Reporting

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Bidders by Module (Example)

Module 1: Claims Processing
PBM 1
PBM 2
PBM 3
PBM 4
PBM 5

Module 2: Formulary/Utilization/Rebate Mgmt.
PBM 1
PBM 6
Rebate/UM/PA Mgmt. 1
Rebate/UM/PA Mgmt. 2
Rebate/UM/PA Mgmt. 3

Module 3: Specialty / Mail Order Fulfillment
PBM 1
Pharmacy 1
PBM 3
Pharmacy 2
Specialty Network 1

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Core Tenets

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State IT Security Requirements

- Offerors must meet State IT Security Requirements including the following:
  - The NC Statewide Information Security policies located online at: https://it.nc.gov/resources/cybersecurity-risk-management/esrmo-initiatives/statewide-information-security-policies.
  - Vendors must provide a completed Vendor Readiness Assessment Report State Hosted Solutions (“VRAR”) at offer submission. This report is located at the following website: https://it.nc.gov/documents/vendor-readiness-assessment-report
  - The vendor solution will be required to receive and securely manage data that is classified as High Risk (Highly Restricted). Refer to the North Carolina Statewide Data Classification and Handling policy for more information regarding this data classification. The policy is located at the following website: https://it.nc.gov/document/statewide-data-classification-and-handling-policy
  - To comply with the State’s Security Standards and Policies, vendors are required to have and maintain a valid and favorable 3rd party security certification. To satisfy this requirement, such reports must have been issued within twelve (12) months prior to the anticipated Contract award date or be supplemented by bridge letters covering no more than three months subsequent to the report expiration date and be consistent with the data classification level and a security controls appropriate for moderate information system(s) per the National Institute of Standards and Technology NIST 800-53 revision 5. The State reserves the right to independently evaluate, audit, and verify such requirements

Transparency: Uncompromising Visibility into Financial and Operational Relationships

We expect our partner(s) to provide full clarity into the pharmaceutical supply chain, ensuring accountability and trust. Key requirements include:

- **Complete Disclosure**: Partner(s) must disclose the existence, nature, and magnitude of all revenue streams tied to our Plan's pharmacy benefits.
- **Audit Rights**: We require the ability to audit contracts between the PBM, Group Purchasing Organizations (GPOs), or related entities (including parent companies, affiliates, subsidiaries, or other partner(s)) and other players in the pharmaceutical supply chain that touch the Plan's contract.
- **Granular Revenue Reporting**: Partner(s) must provide detailed reporting on revenue streams related to the Plan's contract.
- **Comprehensive Claims Data**: Full, timely, and accurate transmission of all claims data and information related to the Plan's contract and utilization, without limitation.

We seek partner(s) who embrace transparency as a cornerstone of collaboration, enabling us to make informed decisions that benefit our members.

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Flexibility: Enabling Innovation and Adaptability

To remain agile in a rapidly evolving healthcare landscape, we require partner(s) who support customization and modernization. Key expectations include:

- **Carve-Out Options**: The ability to carve out specific functions, such as:
  - Specialty and mail-order pharmacy services.
  - Formulary and UM management.
  - Rebate negotiation and administration.
- **Direct Contracting Rights**: Freedom to negotiate directly with pharmaceutical manufacturers for rebates and pricing.
- **Program Modernization**: Support for innovative approaches to optimize the Plan's pharmacy benefits.

We seek partner(s) who enable us to adapt and innovate without constraints, ensuring long-term value for our members.

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Control: Empowering the Plan to Shape Benefit Design and Execution

Our partner(s) must support our authority to design and manage a pharmacy benefit program tailored to our members' needs. Expectations include:

- **Customizable Formulary and Utilization Management (UM)**: Full flexibility to design formularies and implement UM tools, such as prior authorization (PA), quantity limits (QL), and step therapy (ST).
- **Seamless Implementation**: Prompt and accurate execution of the Plan's formulary and UM strategies.
- **Operational Alignment**: Frictionless support for the Plan's clinical and financial objectives.
- **Data Access for Oversight**: Comprehensive operational data to verify timely and accurate administration of benefits.

We value partner(s) who empower us to author our benefit design while providing robust and reliable operational support.

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Strategic Partnership in a Complex Marketplace

The vertically integrated nature of today's PBM landscape can create misaligned incentives, making it challenging to achieve our tenets through a single-PBM model. To address this, we are considering partnering with multiple entities that each would deliver specialized expertise and independence. Ideal partner(s) will help the Plan:

- **Align Incentives** by sharing our commitment to clinical and financial alignment, prioritizing member outcomes.
- **Ensure Independence** by separating formulary and UM decisions from rebate negotiations and specialty/mail-order pharmacy operations.
- **Drive Innovation** by collaborating to create a forward-thinking, member-focused PBM program.

Join Us in Shaping the Future : We invite potential partner(s) to join us in building a PBM program that sets a new standard for transparency, control, and flexibility. By aligning with these tenets, you can help us deliver exceptional value to our members while navigating the complexities of the pharmaceutical supply chain. We look forward to discussing how your expertise can contribute to our vision and exploring collaborative opportunities.

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