



State of Delaware
DEPARTMENT OF HUMAN RESOURCES

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CVS Health Awarded Pharmacy Benefit Management Contract for State of Delaware

Group Health Plan saving estimated of \$200 million over three years.

DOVER, Del.— On Monday, the State Employee Benefits Committee (SEBC) approved award of pharmacy benefit management to CVS Health. Over a three-year period, the contract with CVS Health is estimated to provide pricing guarantee improvements of \$200M, or 21.8%, compared to the current contract.

For 2021, prescription drug cost trend is expected to continue to outpace the Consumer Price Index (CPI), driven mostly by increases in specialty drugs. The decision made by the SEBC addresses the continued increase in prescription drug prices while maintaining the availability of prescription benefits for State of Delaware Group Health Plan members.

“Through aggressive contract and plan management, the SEBC has been able to avoid health plan premium increases for the State and plan participants for four straight years, despite health care costs increasing nationally at more than 5% annually,” said Sandra Ross Johnson, Secretary of the Delaware Department of Human Resources and State Employee Benefits Committee co-chair. “This agreement with CVS Health will continue to provide our employees with a comprehensive pharmacy benefit.”

The State Group Health Plan will transition to CVS Health for active employees and non-Medicare retirees on July 1, 2021. Medicare retirees will transition on January 1, 2022.

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