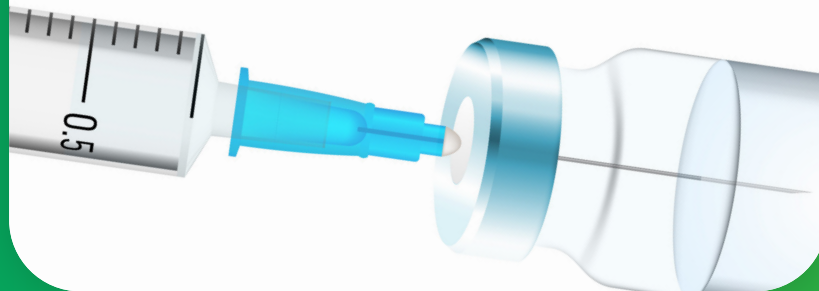


Pharmacy Benefits Industry Fast Facts for 2023



Plan sponsors face a growing expensive trend for diabetes medications

- From 2021 to 2022, GLP-1 spending rose from \$55M to \$107M – a 40% year-over-year increase.
- Ozempic® alone represents 4% to 5% of total plan cost for the average client.
- Diabetes treatments account for 18% of the total gross cost for pharmacy plans.
- Eli Lilly, Novo Nordisk, and Sanofi will avoid owing hundreds of millions of rebate dollars after insulin price cuts.



Yusimry announcement may impact the gross-to-net bubble

- Anti-inflammatory medications and dermatologic agents like, Humira®, Cosentyx®, Stelara®, and Taltz®, represent about 27% of the gross cost for plan sponsors.
- At least 11 biosimilars are expected to launch in 2023, and the result of these products hitting the market will be substantially lower net cost.
- Cost Plus Drugs will offer a Humira® biosimilar online for \$570 plus fees, but swapping products may impact the overall value of the pharmacy benefit.



Pharmacy benefit experts are watching legal battles and federal regulators

- Two lawsuits bring specialty medication cost coverages to the courts. AbbVie and J&J filed suit against vendors using assistance programs.
- The FTC issued compulsory orders to three group purchasing organizations as part of their probe into the six largest pharmacy benefit managers.
- Senators introduced The Pharmacy Benefit Manager Reform Act – one of multiple pending bills targeting PBMs.

