innovative Rx STRATEGIES™

Pharmacy Benefits Briefing

Weight Loss Medications

What employers need to know in a landscape of innovation and cost inflation

Do You Have a Pharmacy Game Plan?

As the cost of providing pharmacy benefits continues to increase, employers must deploy strategies to contain costs. The pharmaceutical industry is complex and new drugs are flooding the market — and thorough understanding of the complete clinical landscape is vital to keeping your spend in check. This brief outlines what employers need to know about the GLP-1 class of medications for the treatment of obesity.

FOR MORE INFORMATION

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THE NEW LANDSCAPE OF WEIGHT LOSS MEDICATIONS

Obesity is a common, serious and costly disease. If patients do not respond to lifestyle management or medication therapy, then devices and surgery can be considered. Medications for weight loss are not new, however the effectiveness of newer weight loss medications have formed a new conversation on this topic.

The focus is a new class of medications for weight loss. This class of medications, the GLP-1s, was first approved for the treatment of diabetes where they were found to be very effective in lowering hemoglobin A1c while also providing clinically significant weight loss. This impact on weight loss has pharmaceutical manufacturers seeking FDA approval for weight loss indications.

The FDA approved indication is an important designation as PBMs are seeing up to 40% of GLP-1 and GIP/GLP-1 being prescribed for patients without diabetes when they are only approved for diabetes.

Active Ingredient	Class	Brand Name for Diabetes	Brand Name for Weight Loss	Annual WAC* Cost for Weight Loss
Liraglutide	GLP-1	Victoza®	Saxenda®	$ 16,413
Semaglutide	GLP-1	Ozempic®	Wegovy®	$ 17,537
Tirzepatide	GIP/GLP-1	Mounjaro®	Pending approval in 2023	Pending

*WAC= Wholesale Acquisition Cost

Saxenda® (liraglutide), the first GLP-1 to be approved for weight loss, was shown in studies to reduce weight by 5.4 - 7.4% while Wegovy® (semaglutide), the second GLP-1 approved for weight loss, was shown to reduce weight by 9.6 - 16%.

Mounjaro® (tirzepatide), approved only for treatment of diabetes, has demonstrated very significant weight loss of up to 22.5% body weight. Eli Lilly and Company, the manufacturer of Mounjaro® is currently pursuing a weight loss indication from the FDA. We could see this indication approval in the fall of 2023.

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CONCERNS ABOUT GLP-1 USE FOR OBESITY

SIDE EFFECTS

The most common side effects are gastrointestinal (GI) in nature including nausea, diarrhea, vomiting, constipation and abdominal pain. While some may experience these as mild, in clinical trials, these side effects did lead to patients discontinuing the medication.

While rare, serious side effects should also be monitored and include risk of thyroid tumors, pancreatitis and acute gallbladder disease. In addition, serious side effects of dehydration, including acute kidney disease, are possible if GI side effects go unchecked.

COST

The current wholesale acquisition cost of Wegovy® (semaglutide) is $17,537 per year. The Institute for Clinical and Economic Review reported the benchmark price, to be considered cost-effective, should be $7,500 - $9,800 per year. The annual cost of the tirzepatide product for weight loss, once approved, is expected to be priced higher than Wegovy®.

Another factor impacting overall cost is that these medications will most likely become chronic therapies. Studies have shown that although GLP-1s are effective at reducing weight, many patients regain weight when therapy is discontinued. It is this caveat that creates the most concern for long-term cost and outcomes.

LONG-TERM OUTCOMES

While weight loss can lead to decreased health care costs and improved overall health outcomes, high quality evidence of the long-term impact of weight loss from this new class of medications is pending in adults without diabetes. Novo Nordisk, currently running the SELECT study to evaluate the impact of Wegovy® (semaglutide) on cardiovascular outcomes, expects to have final outcomes data in late 2023.

Eli Lilly and Company is studying the impact of tirzepatide on morbidity and mortality in obesity (SURMOUNT-MMO) with an estimated completion date of October 2027. If the outcomes of these studies prove positive, plan sponsors will experience increased pressure to provide coverage.

DEVELOPMENT PIPELINE

The following medications are currently in the development pipeline:

Medication	Class	Weight Loss Impact	Anticipated Launch
Tirzepatide	GIP/GLP-1	16-22.5% of body weight at 72 weeks	2023
Semaglutide Oral	GLP-1	15.1% of body weight at 68 weeks	2024
Retatrutide	GIP/GLP-1/ glucagon receptor agonist	24.2% of body weight at 48 weeks	2026-2027
Orforglipron	GIP/GLP-1/ glucagon receptor agonist	9.4%-14.7% of body weight at 36 weeks	2026-2027
Cagrilintide/ Semaglutide	Amylin analogue/ GLP-1	Anticipated 2025	2026 or after

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PHARMACY PLAN RECOMMENDATIONS

As the pipeline continues to grow and demand for medication therapy for weight loss continues, it is vital to understand what strategies your PBM can deploy to ensure appropriate plan member utilization.

Based on the current landscape, we recommend:

- Do not cover weight loss medications on your plan.
    - Review outcomes study results, when available, with your pharmacy consultant before you consider adding coverage for weight loss agents to your plan.
- If you are covering weight loss medications, require your PBM to put a hard-stop prior authorization in place to ensure appropriate diagnosis on all GLP-1 medications.
    - In addition, the PBM should be requesting chart notes and documentation of diabetes, not simply listing of an ICD-10 diagnosis of diabetes or provider attestation of diabetes.
    - Ensure the PBM has strong initial criteria for use as well as routine follow-up/check-in prior authorization criteria for continuation of therapy that ensures patients are progressing to or maintaining ideal body weight.
- Offer lifestyle management programs focused on diet, exercise and behavioral health interventions to support patients interested in weight loss.
    - Require lifestyle management programs to access weight loss medications initially and ongoing.

HOW WE CAN HELP

Engaging the right pharmacy benefit consultant is vital to providing your plan members with the right drugs at the right time for the right reasons — and at the best cost available.

Our team monitors pharmacy trends, the drug development pipeline and the latest clinical evidence to ensure our clients receive the support and professional recommendations needed to make the best decisions possible for their plans.

If you don't have a pharmacy consultant to help you navigate this changing landscape, or your current consultant doesn't have a clinical pharmacist on staff, please reach out and any one of our pharmacists would be pleased to assist. Contact us at info@innovativerxstrategies.com or 847-943-3161.

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