



# Maryland Privately Insured Weight Loss Medications Cost and Utilization 2021-2023

- **DRAFT**

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# Background

- Obesity in the United States: A Growing Epidemic
  - Overview of Obesity Rates
    - 42% of U.S. adults have obesity.
    - Prevalence of severe obesity (BMI > 40) increased from 7.7% to 9.7%
    - Over 70% are classified as overweight or obese.
    - In Maryland, 34% of adults are considered obese, with county rates varying from 25% to 47%.
    - Compared to Maryland, the prevalence of obesity was lower in the District of Columbia (23.4%), about the same in Virginia (34.3%), and higher in Delaware (35.7%) and West Virginia (41.2%)
  - Obesity's annual medical care costs in the U.S. are \$3,508 per individual (2010 values).
  - Medical costs and BMI have a J-shaped relationship, skyrocketing for class 2 and 3 obesities (BMI ≥35).
  - The introduction of glucagon-like peptide-1 (GLP-1) drugs presents a promising new class of therapies, though they carry the burden of a high cost, exceeding \$1000 a month, and necessitate lifelong use.



# Weight loss Medication Access

- ▶ Coverage of weight loss drugs by employer plans ranges from 33% to 63%.
- ▶ Prior authorization requirements for these medications vary between 50% to 80% among employers.
- ▶ Obesity and weight-loss medications are not covered under Medicare Part B and Part D, as per the 2003 Medicare Prescription Drug, Improvement, and Modernization Act.
- ▶ GLP-1 medications indicated for diabetes, such as Ozempic, Victoza, and Mounjaro, must be covered for diabetes treatment under Medicare Part D.
- ▶ Medicaid requires prior authorization for GLP-1 drugs, with coverage limited to diabetes indications.

# Methodology



- ▶ With The extensive marketing efforts promoting the benefits of GLP-1 weight loss drugs in managing obesity and its related health issues since 2021, the primary goal of this study is to describe the distribution of weight management drugs in the APCD from 2021 through 2023
- ▶ For this analysis, we included the following weight-loss medications:\*
- ▶ Saxenda (Liraglutide) : Approved initially for type 2 diabetes as Victoza in 2010. Now used in higher doses for weight loss management.
- ▶ Wegovy (Semaglutide) : Originally approved as Ozempic for type 2 diabetes in 2017, currently prescribed for weight management.
- ▶ Mounjaro (Tirzepatide) is a newer option for managing type 2 diabetes. It has been shown to reduce body weight by 15.7% to 22.5%.
- ▶ Zepbound (Tirzepatide) : Approved in 2023 for adults with obesity or overweight with weight-related medical problems.

*\*Note: The national drug codes (NDC) for these medications, obtained from the FDA website <https://dps.fda.gov/ndc>, serve as the primary source of our data*



# Overview of Weight Loss Medication Trends (2021-2023)

## ▶ Saxenda:

- ▶ 2021-2022: Patient count increased by 18%
- ▶ 2022-2023: Patient count decreased by 18%
- ▶ Insights: Decrease in prescriptions, total paid, and out-of-pocket amounts; potential competition emerging.

## ▶ Wegovy:

- ▶ Patient count: +194% (2021-2022), +351% (2022-2023)
- ▶ Prescriptions: +400% (2021-2022), +300% (2022-2023)
- ▶ Financial Impact: Significant increases in total paid and out-of-pocket expenses.

## ▶ Mounjaro: Introduced in 2022

- ▶ Patient count: +600% (2022-2023)
- ▶ Prescriptions: +948% (2022-2023)
- ▶ Financials: Substantial rise in total paid and out-of-pocket amounts.

## ▶ Zepbound:

- ▶ Introduced: May 2023
- ▶ Current Status: Insufficient data for comparison; future monitoring essential.

Medication	Year	Patients	Prescriptions	Total Paid Amount	Out-of-Pocket Amount
Saxenda	2021	284	1,539	\$1,709,530	\$107,497
	2022	336	1,515	\$1,667,276	\$104,440
	2023	276	997	\$1,291,072	\$94,880
Wegovy	2021	260	413	\$545,623	\$100,559
	2022	765	2,067	\$2,718,284	\$205,961
	2023	3,451	8,272	\$11,868,725	\$1,070,283
Mounjaro	2022	2,102	4,842	\$4,734,603	\$244,309
	2023	14,729	50,734	\$57,516,282	\$2,218,974
Zepbound	2023	98	130	\$144,374	\$40,162

# Weight Loss Medications Cost and Utilization (2021-2023)



▶ Saxenda:

- ▶ Unit Cost: 2021: \$1,111, 2022: \$1,101, 2023: \$1,295
- ▶ PMPM Cost: Decreased from \$0.10 to \$0.09
- ▶ Utilization: Declined from 1.1 to 0.8 scripts/1,000 members
- ▶ PPPM Cost: Decreased from \$560 to \$455

▶ Wegovy:

- ▶ Unit Cost: Increased from \$1,321 to \$1,435
- ▶ PMPM Cost: Increased from \$0.03 to \$0.80
- ▶ Utilization: Surged from 0.3 to 6.7 scripts/1,000 members
- ▶ PPPM Cost: Increased from \$311 to \$662

▶ Mounjaro:

- ▶ Unit Cost: 2022: \$978 2023: \$1,134
- ▶ PMPM Cost: Rose from \$0.30 to \$3.89
- ▶ Utilization: Increased from 3.7 to 41.1 scripts/1,000 members
- ▶ PPPM Cost: Increased from \$328 to \$662

▶ Zepbound (2023 Only):

- ▶ Unit Cost: \$1,111
- ▶ PMPM Cost: Minimal at \$0.01
- ▶ Utilization: Low at 0.11 scripts/1,000 members
- ▶ PPPM Cost: \$142

Medication	Year	Unit Cost	Member Population		Patient Population	
			PMPM	Utilization (Scripts/1000)	PPPM	Utilization (Scripts/1000)
Saxenda	2021	\$1,111	\$0.10	1.1	\$560	6,053
	2022	\$1,101	\$0.11	1.2	\$455	4,966
	2023	\$1,295	\$0.09	0.8	\$447	4,146
Wegovy	2021	\$1,321	\$0.03	0.3	\$311	2,822
	2022	\$1,315	\$0.17	1.6	\$611	5,573
	2023	\$1,435	\$0.80	6.7	\$662	5,533
Mounjaro	2022	\$978	\$0.30	3.7	\$328	4,031
	2023	\$1,134	\$3.89	41.1	\$662	7,008
Zepbound	2023	\$1,111	\$0.01	0.1	\$142	1,529

# Weight Loss Medications Out-of-Pocket Cost (Population vs Patients) (2021-2023)



- ▶ Saxenda:
  - ▶ Population OOP Cost: Remained constant at \$0.01 (2021-2023)
  - ▶ Patient OOP Cost: Decreased from \$35 to \$29 (2021-2022)  
Increased from \$29 to \$33 (2022-2023)
  
- ▶ Wegovy:
  - ▶ Population OOP Cost: Increased from \$0.01 (2021) to \$0.07 (2023)
  - ▶ Patient OOP Cost: Increased from \$57 (2021) to \$60 (2023)
  
- ▶ Mounjaro:
  - ▶ Population OOP Cost: Increased from \$0.02 (2021) to \$0.15 (2023)
  - ▶ Patient OOP Cost: Increased from \$17 (2021) to \$26 (2023)
  
- ▶ Zepbound:
  - ▶ Population OOP Cost: \$0.00 (2023)
  - ▶ Patient OOP Cost: \$39 (2023)

Medication	Year	Member Population		Patient Population	
		PMPM (Total)	PMPM (OOP)	PPPM (Total)	PPPM (OOP)
Saxenda	2021	\$0.10	\$0.01	\$560	\$35
	2022	\$0.11	\$0.01	\$455	\$29
	2023	\$0.09	\$0.01	\$447	\$33
Wegovy	2021	\$0.03	\$0.01	\$311	\$57
	2022	\$0.17	\$0.01	\$611	\$46
	2023	\$0.80	\$0.07	\$662	\$60
Mounjaro	2022	\$0.30	\$0.02	\$328	\$17
	2023	\$3.89	\$0.15	\$662	\$26
Zepbound	2023	\$0.01	\$0.00	\$142	\$39

# Takeaways



- ▶ In Maryland, 34% of adults are considered obese, with county rates varying from 25% to 47%.
- ▶ In comparison, the prevalence of obesity was lower in the District of Columbia (23.4%), about the same in Virginia (34.3%), and higher in Delaware (35.7%) and West Virginia (41.2%)
- ▶ Employer coverage of weight-loss drugs varies; recent data from several Pharmacy Benefit Management (PBMs) shows that coverage in employer plans ranges from 33% to 63%. Further, the use of prior authorization requirements among employers that cover weight-loss medications ranges from 50% to 80% across the PBMs. Obesity and weight loss medications are excluded from coverage in Medicare Part B and Part D by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003
- ▶ The results from 2021 to 2023 underscore a significant shift in the utilization and cost dynamics of Saxenda, Wegovy, Mounjaro, and Zepbound. Notable trends include fluctuating costs for Saxenda, significant increases for Wegovy, and rapid utilization growth for Mounjaro. Zepbound has a competitive cost structure.
- ▶ Patient OOP costs show varying medication trends, with Wegovy and Mounjaro experiencing noteworthy increases.
- ▶ Patients, providers, and payers must choose between using costly but effective GLP-1 agonists for chronic conditions or cheaper but less effective older drugs with behavioral coaching. Combining GLP-1 agonists with lifestyle changes may provide greater benefits, but it doesn't solve the long-term challenges of cost, adherence, or the structural inequities of lifestyle counseling.