

Pharmacy Benefit Management Strategies

ASHHRA Benefits Symposium

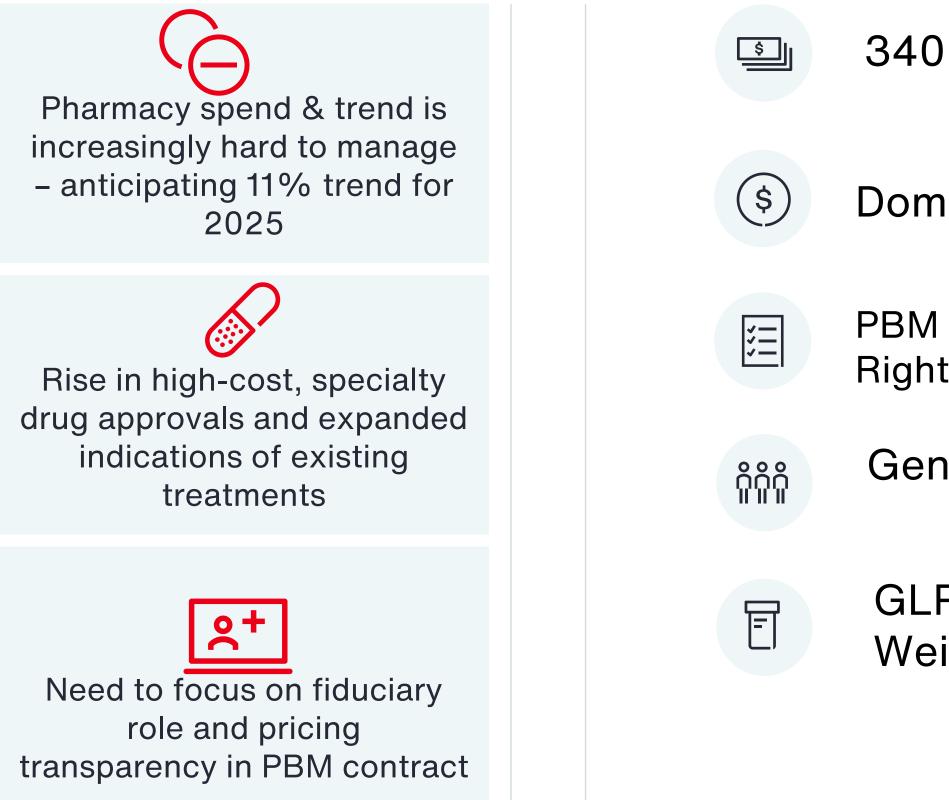
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Market Trends Influence Pharmacy Benefits in Unique Ways

Market Influences



Aon will ensure all commitments are pulled through to PBM contract



Benefit Trends

- 340B Optimization
- Domestic Steerage
- PBM Rebate GPO Audit Rights & Transparency
- Gene/Cell Therapy
- GLP-1s for T2DM and Weight Loss

Hospital Industry View

- 45% support employee steerage to the organization's 340B program; 21% considering
- 70% have Internal Pharmacy steerage through plan design (e.g., lower copays)
- 46% not covering GLP-1s for weight loss; 47% citing cost as the main factor
- 45% offer coverage for FDA-approved gene and cell therapies under the benefit plan

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Domestic Pharmacy Arrangements and PBM Relationships

Off the Shelf PBM Relationship



Typical Employer Model

- Use PBM for typical benefit services
- Outpatient pharmacy not involved in decisions around plans
- Domestic pharmacy in the PBM network



- Pharmacy team may provide benefit input around customized participant access to domestic pharmacies
- Pharmacy team may create service, programs or access for participants
- Domestic pharmacy is preferred location

No/Low Domestic Pharmacy Strategy



Highly Customized PBM Relationship



- Pharmacy team involved in care delivery
- Pharmacy team works with PBM to support primary role in dispensing
- Domestic pharmacy is preferred for specialty or maintenance supplies



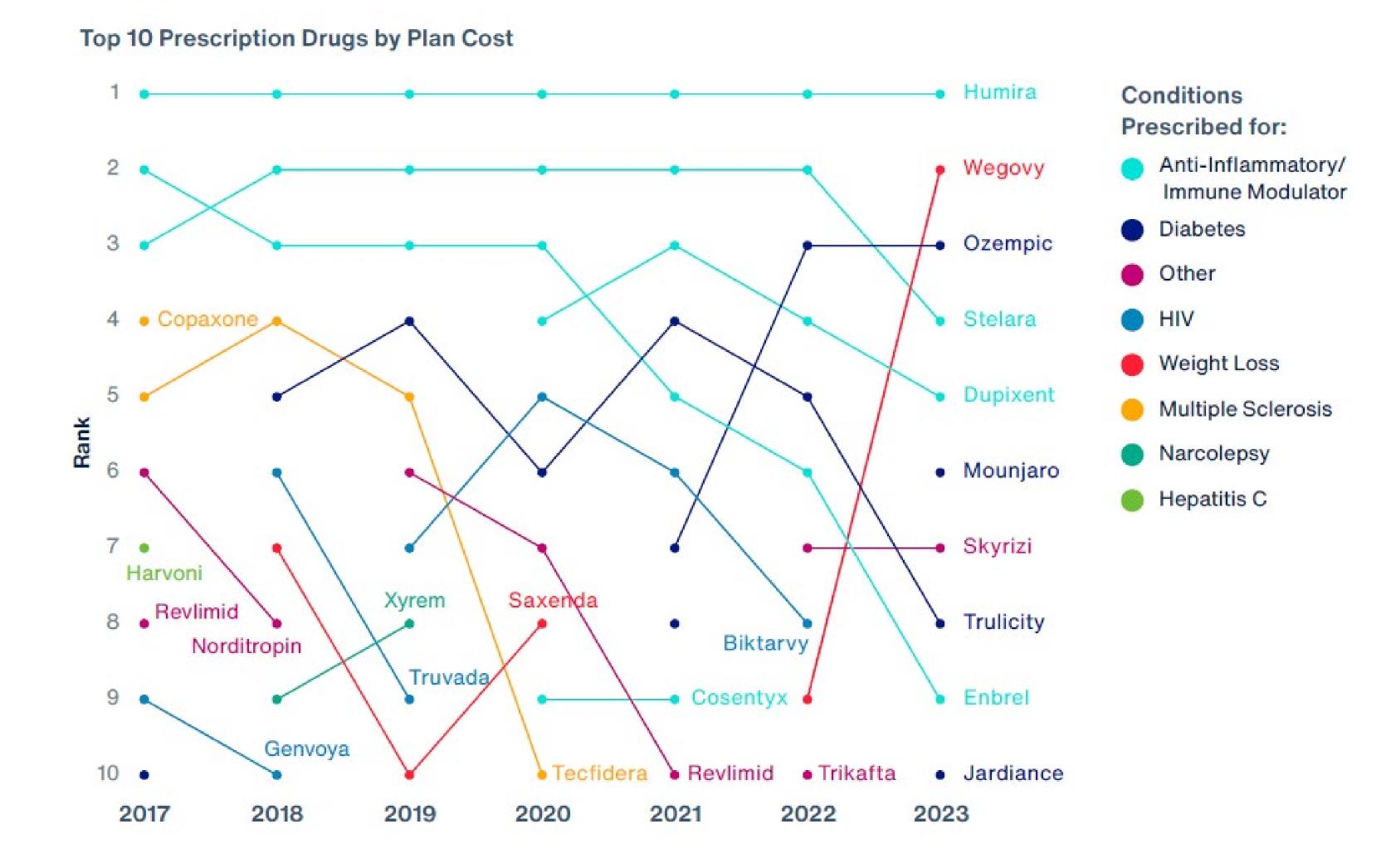
Majority of Claims at Domestic Pharmacy

- Pharmacy team has customized or exclusive access for certain dispensing, steerage
- Pharmacy team supports savings programs such as coupons, 340B
- Domestic pharmacy provides shared savings

Strong Domestic Pharmacy Strategy

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Pharmacy Utilization by Cost



AON Source: 2024 Aon Benefits Survey of Hospitals



Pharmacy Management

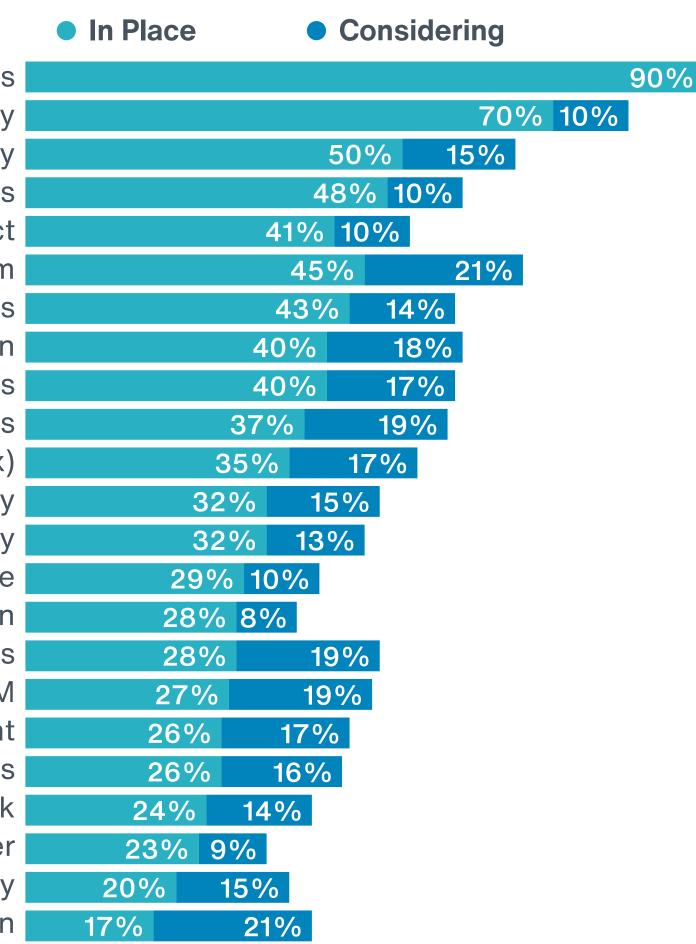
What Rx programs are hospitals deploying to manage cost and quality?

A variety of programs can control Rx costs by managing prescriptions, prices, and providers. Respondents employ programs such as:

Clinical programs, e.g., prior authorization, step therapy, quantity limits Lower member cost share at internal pharmacy Specialty drug access limited to single PBM/carrier pharmacy Excluded non-formulary medications PBM purchasing coalition contract Leverage hospital 340B program Required internal pharmacy use for specialty medications Mandatory generic substitution Custom UM/clinical programs Specialty manufacturer assistance "maximizer" programs Alternative member drug discount programs (e.g., GoodRx) Custom formulary managed by internal pharmacy 90-day prescriptions only available through the internal pharmacy Rx pharmacy rebates to members at point of sale 4, 5 or 6 Tier plan design Specialty copay accumulator programs Narrow formulary managed by PBM Site-of-care management Required internal pharmacy use for maintenance medications Narrow pharmacy network Mandatory mail order Medication reconciliation services at internal pharmacy

J-code block of injectable drugs from medical plan







GLP-1 Coverage for Weight Loss

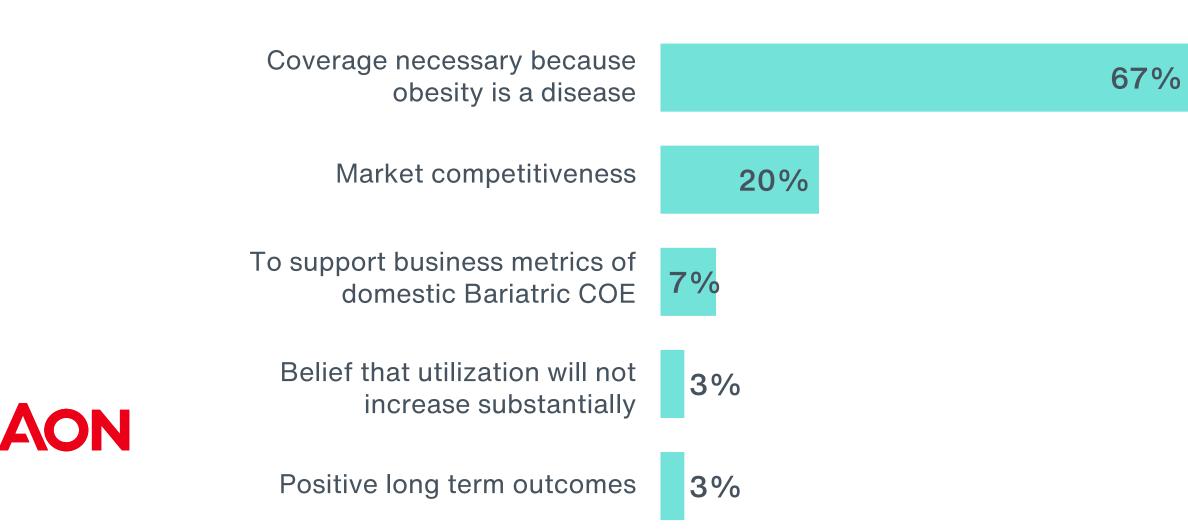
Does your organization currently cover GLP-1 medications for weightloss use (e.g., Wegovy, Saxenda)?

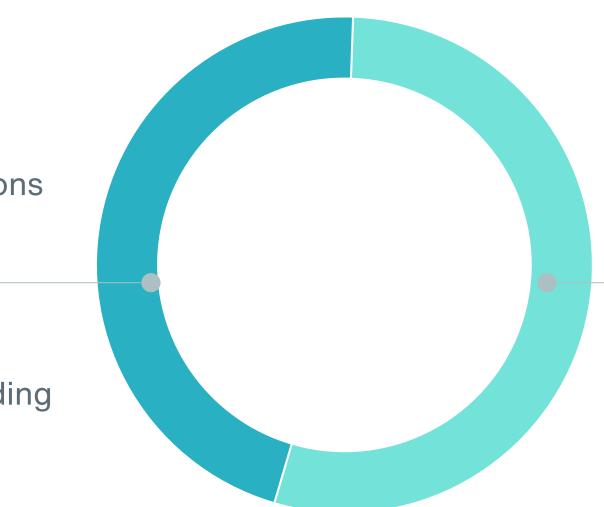
46%

Does Not Cover GLP-1 medications for weight loss

18% Considering adding coverage

For those covering GLP-1 medications for weight loss, these are the primary reasons for coverage





54% **Covers GLP-1** medications for weight loss

28% Considering removing coverage

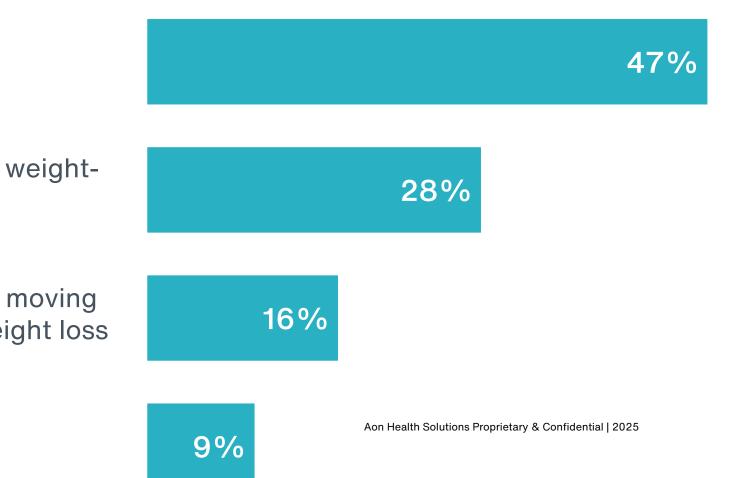
For those not covering GLP-1 medications for weight loss, these are the primary reasons for not covering

Cost

Plan has always excluded weightloss drugs

Concerned with members moving on/off GLP-1 drugs for weight loss

Not considered a medical necessity





GLP-1 Coverage for Weight Loss

What strategies have organizations implemented to control **GLP-1 medications for** weight loss management?

50% of organizations that require use of a weight management program for GLP-1 access are using an internal program.

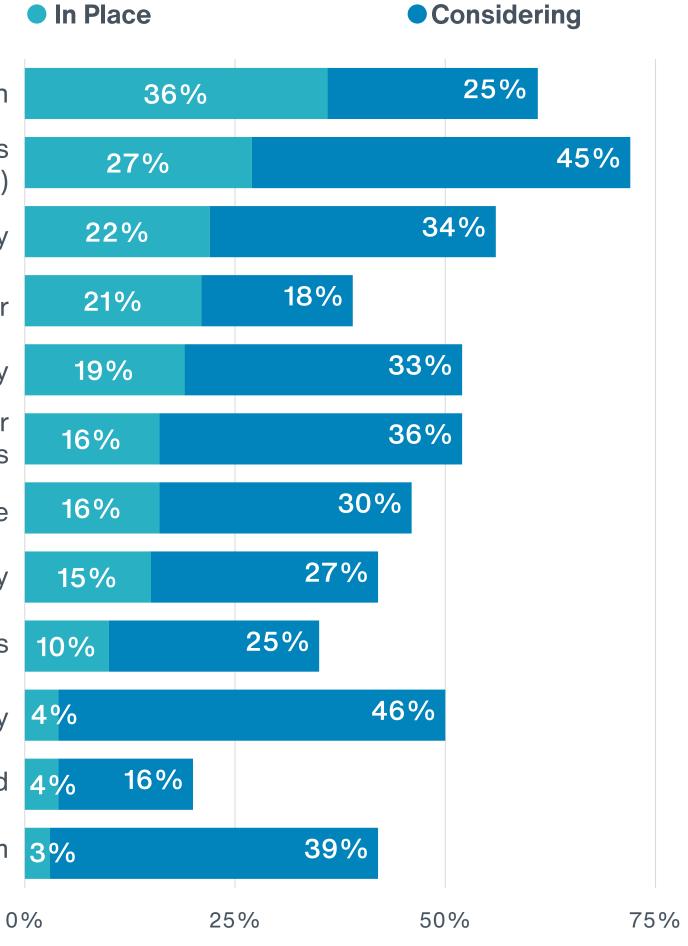
GLP-1 for Weight Loss – Management Tactics



- Prior authorization rules custom to organization
- Requiring program participation for GLP-1 access (e.g., weight loss program for 6 months)

Step Therapy

- Prior authorization rules set by third-party vendor
 - Increased minimum BMI required for eligibility
- Higher Rx copay than other brand drugs when used for weight loss
 - Increased member out-of-pocket cost share
- Limited distribution to internal/domestic pharmacy only
 - Limited distribution to certain prescribers
 - Limit length of GLP-1 therapy 4%
 - Require use of a copay card 4%
 - Lifetime coverage maximum 3%





Diabetes and Obesity Utilization and Trends (National)

Clinical Condition

- 37.3M Americans have diabetes, and another 96M US adults have prediabetes
- 42% of the US population is obese.
- Obesity is a primary risk factor for developing type 2 diabetes (TD2)
- Losing ~7% of body weight can reduce the risk of developing diabetes by almost 60%

Novel Therapies

- GLP-1's tackle both blood sugar control and promote weight loss by mimicking incretin hormones
 - \checkmark Appetite \uparrow Fullness
 - ↑ Insulin Sensitivity
 - ↑ Insulin Production
 - ↑ Sugar Uptake From Blood
 - Tirzepatide targets incretin hormones GLP and GIP with different brand names for each indication: Mounjaro[®] (diabetes) & Zepbound[®] (weight loss)



AON

Utilization & Trends (11/2024 compared to 2023)

Utilizers of anti-obesity GLPs increased by 100%; utilizers of diabetic GLPs remained flat

Plan paid for anti-obesity GLPs increased 127%; plan paid for diabetic GLPs increased 23%

Persistence on therapy for anti-obesity GLPs has increased to over 60% compared to 47% in 2023; likely the result of the resolution of drug shortage issues

Expanding indications for anti-obesity GLPs now include secondary cardiovascular disease and obstructive sleep apnea and will expand utilization

Treatment Guidelines

- American Diabetes Association: 2025 prioritizes the use of GLP-1's in the treatment of diabetes
 - GLPs have become the cornerstone of treatment for obesity
- American Academy of Pediatrics: 2024 guideline update shifts from the watchand-wait approach to a comprehensive obesity treatment plan with weight loss evaluation for ages 12 +

Aon Best Practices

- Obesity and diabetes are treatable, chronic conditions
- Add UM programs to GLP-1 drugs for diabetes to prevent off-label use for weight loss
- For plan sponsors choosing to cover the treatment of obesity with GLP-1s, Aon recommends that this class of drugs be managed using UM protocols along with a lifestyle management/ coaching program
- Pairing GLP-1 drug coverage and lifestyle management for obesity treatment helps patients learn and adopt long-term approaches towards a healthier lifestyle while working towards a clinically appropriate weight

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Gene and Cell Therapies

Has your organization implemented any of the following strategies to support employees in regard to gene and cell therapies (GCT)?

Coverage for FDA-approved gene cell therapies

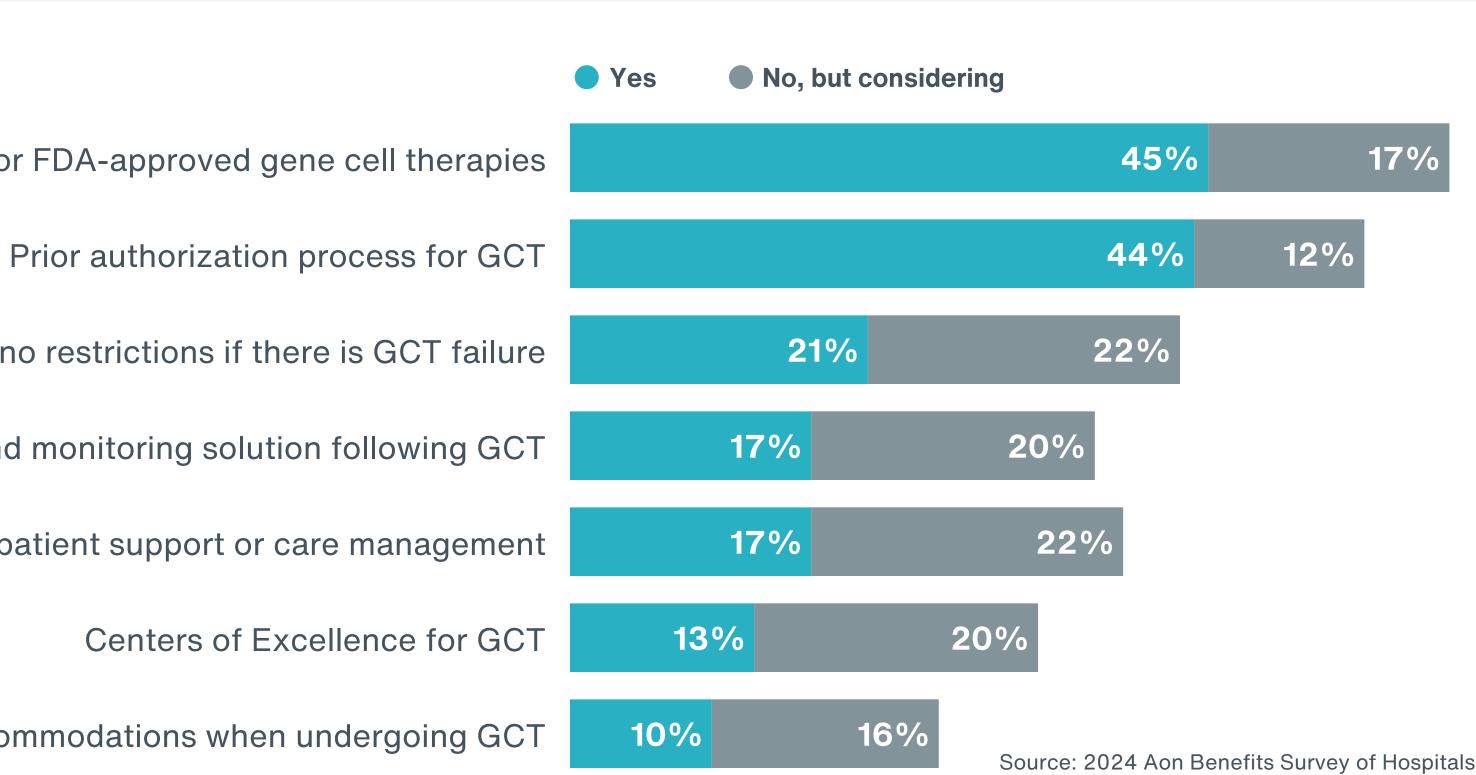
Access to formerly utilized therapeutic drugs with no restrictions if there is GCT failure

Follow-up care and monitoring solution following GCT

GCT-specific patient support or care management

Coverage for travel and accommodations when undergoing GCT







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Questions / Contacts

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