MarshMcLennan Agency

MMA RxSolutions

Strategic approach to pharmacy management. Delivering pharmacy savings through proprietary tools, data insights, and pharmacy expertise

Your future is limitless.℠

Rx is a significant part of the healthcare dollar

Biggest portion of health care dollar

24.2¢	17.6¢	19.9¢	3.2¢	11.6¢	
Prescription drugs	In-patient hospital costs	Out-patient hospital costs	Emergency room costs	Doctor visits	Other out-patient care

40.7¢	3.4¢	3.3¢	2.2¢	0.8¢	2.4¢
Total Hospital Costs	Taxes and Fees	Other Fees and Business Expenses	Cost Containment	Other administrative expenses	Profit

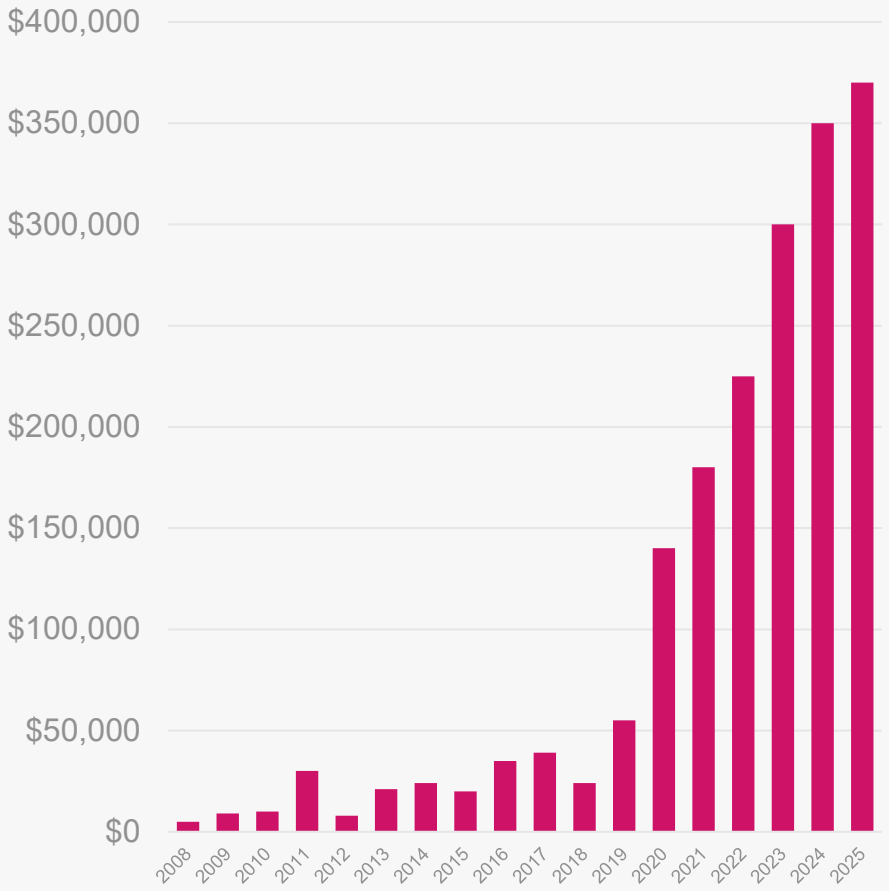
Source: Milliman, Where does Your Health Care Dollar Go?, American Health Insurance Plans, Oct 18, 2025 https://www.ahip.org/health-care-dollar/.

Industry Happenings Impacting Plan Sponsors

1. State and Federal Laws
2. GLP1 Expansion
3. PBM pricing and practices
4. Biosimilars and Newly Marketed Drugs

Soaring prices for newly marketed drugs

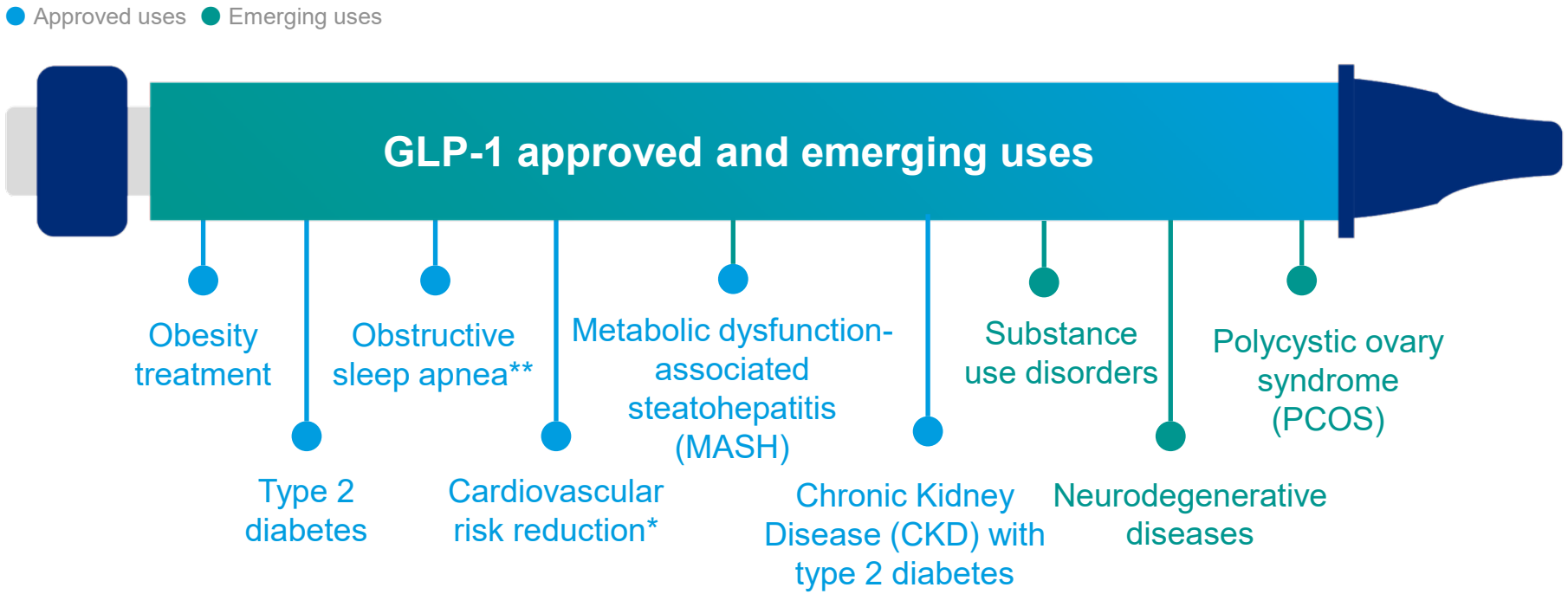
The median price of newly marketed drugs rose nearly **10x between 2018 and 2023**.[1]



Sources: 1. PwC Health Research Institute, "Medical cost trend: Behind the numbers 2024," 2023, Link,
2. Reuters, "Prices for new US drugs double in 4 years as focus on rare disease grows," 2025, Link,

GLP-1 use is expanding to treat a broader range of conditions.

GLP-1 medications are rapidly changing how conditions are managed. Originally prescribed for diabetes, they are now used to treat a wide variety of conditions, both off-label and with FDA approval.



11.8%

of U.S. adults used a GLP-1 medication in 2025

14% reported interest in starting treatment.[1]

Oral GLP-1 medications like Orforglipron, now available for diabetes and weight management, could broaden use by eliminating injections.

*Approved for use by adults with obesity or overweight and established cardiovascular disease. **Approved for use by adults with obesity.

1. Robert Bozick et al., "New Weight Loss Drugs: GLP-1 Agonist Use and Side Effects in the United States," RAND Corporation, August 6, 2025, https://www.rand.org/pubs/research_reports/RRA4153-1.html.

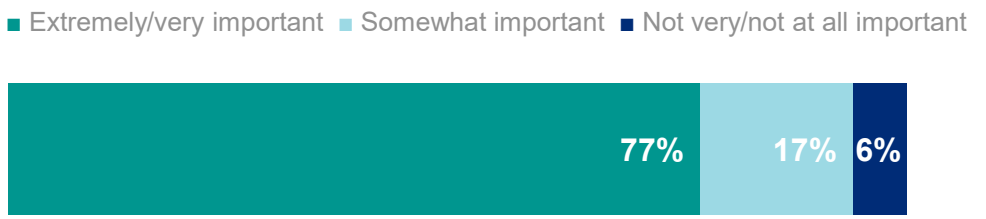
GLP-1s are a key cost driver for employers.

- Plan sponsors anticipate that GLP-1 use will increase their overall medical spend by 0.5–1% in 2026.[1]
- As GLP-1 coverage for obesity expands, so do authorization requirements.

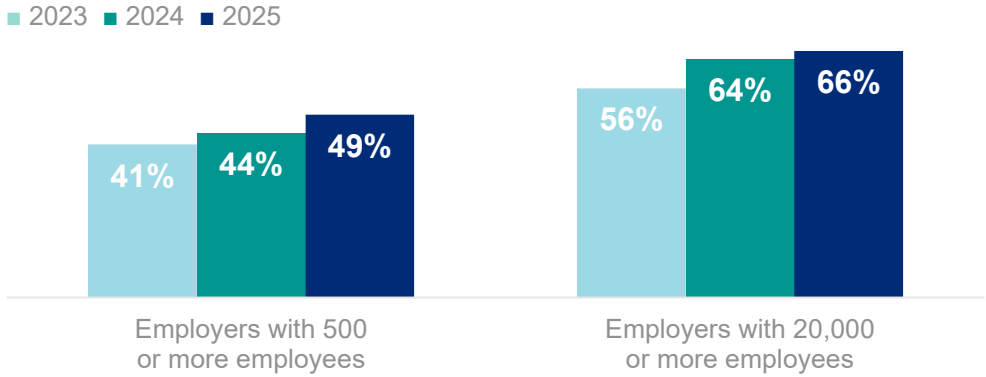
41%
of employers cited GLP-1s as one of the most significant drivers of cost in 2025–2026.[1]

96%
of employers report being concerned about the long-term cost implications of GLP-1s.[3]

Managing cost for GLP-1 medications[2]



Authorization requirements for GLP-1 obesity coverage



1. PwC, "Behind the Numbers 2026." **2.** Mercer, "Survey on Health & Benefit Strategies for 2026." **3.** Business Group on Health, "2025 Employer Health Care Strategy Survey, August 20, 2024, https://www.businessgrouphealth.org/resources/2025-employer-health-care-strategy-survey-intro.

Adherence and lifestyle support are key challenges to weight-loss GLP-1 treatment.

More than half of patients prescribed GLP-1s for obesity discontinue treatment before reaching a clinically significant level of weight loss.[3]

Clinicians stress that sustainable outcomes *require lifestyle support*:

- **87%** of primary care providers say GLP-1s must be paired with dietary changes
- **79%** emphasize the need for regular exercise.[4]

85%

of patients prescribed GLP-1s for weight loss stop taking them after two years.[1]

Only 10%

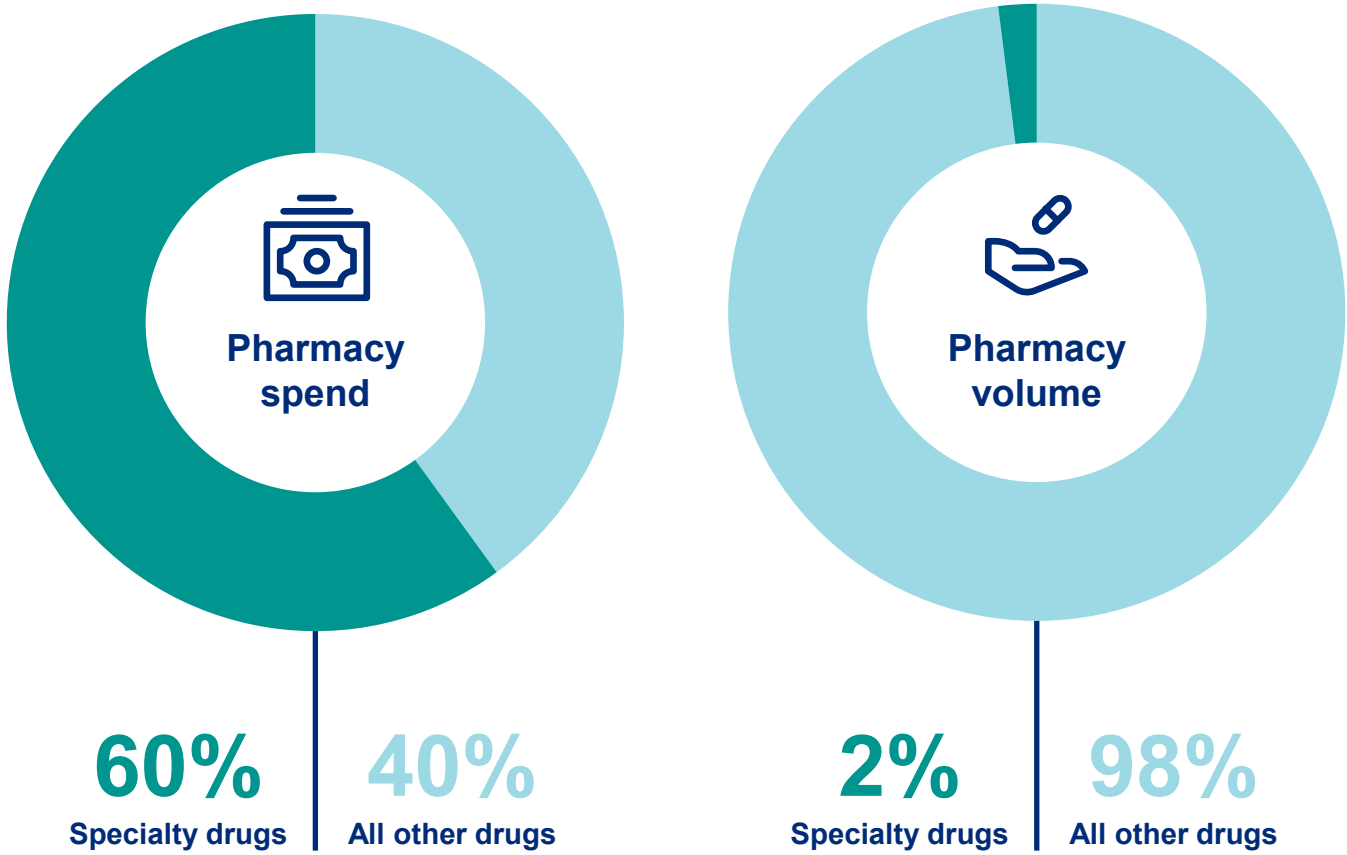
of large employers require participation in lifestyle or weight-loss programs in conjunction with GLP-1 use.[2]

1. Prime Therapeutics, "Prime Continues to Lead Industry on GLP-1 Research: 1 in 7 Stays onGLP-1 Drugs for Weight Loss After Two Years," July 10, 2024, https://www.primetherapeutics.com/w/prime-continues-to-lead-industry-on-glp-1-research-1-in-7-stays-on-glp-1-drugs-for-weight-loss-after-two-years. **2.** Kaiser Family Foundation, "2024 Employer Health Benefits Survey," Section 13, October 9, 2024, https://files.kff.org/attachment/Employer-Health-Benefits-Survey-2024-Annual-Survey.pdf. **3.** Blue Health Intelligence. Trends in GLP-1 utilization: An analysis of prescribing, adherence, and costs. Blue Cross Blue Shield Association. 2024. https://bluehealthintelligence.com/reports/real-world-trends-in-glp-1-prescribing-and-treatment-persistence-for-weight-management/. **4.** Omada Health, "Survey Report: Primary Care Perspectives on GLP-1 Prescriptions," February 11, 2025, https://www.omadahealth.com/resource-center/survey-report-primary-care-perspectives-on-glp-1-prescriptions.

Specialty drugs: 2% of pharmacy volume, 60% of pharmacy spend

The specialty pharma market grew from $92.5 billion in 2023 to $129.23 billion in 2024. It is expected to reach $965.5 billion by 2030.[2]

Pharmacy spend versus pharmacy volume[1]

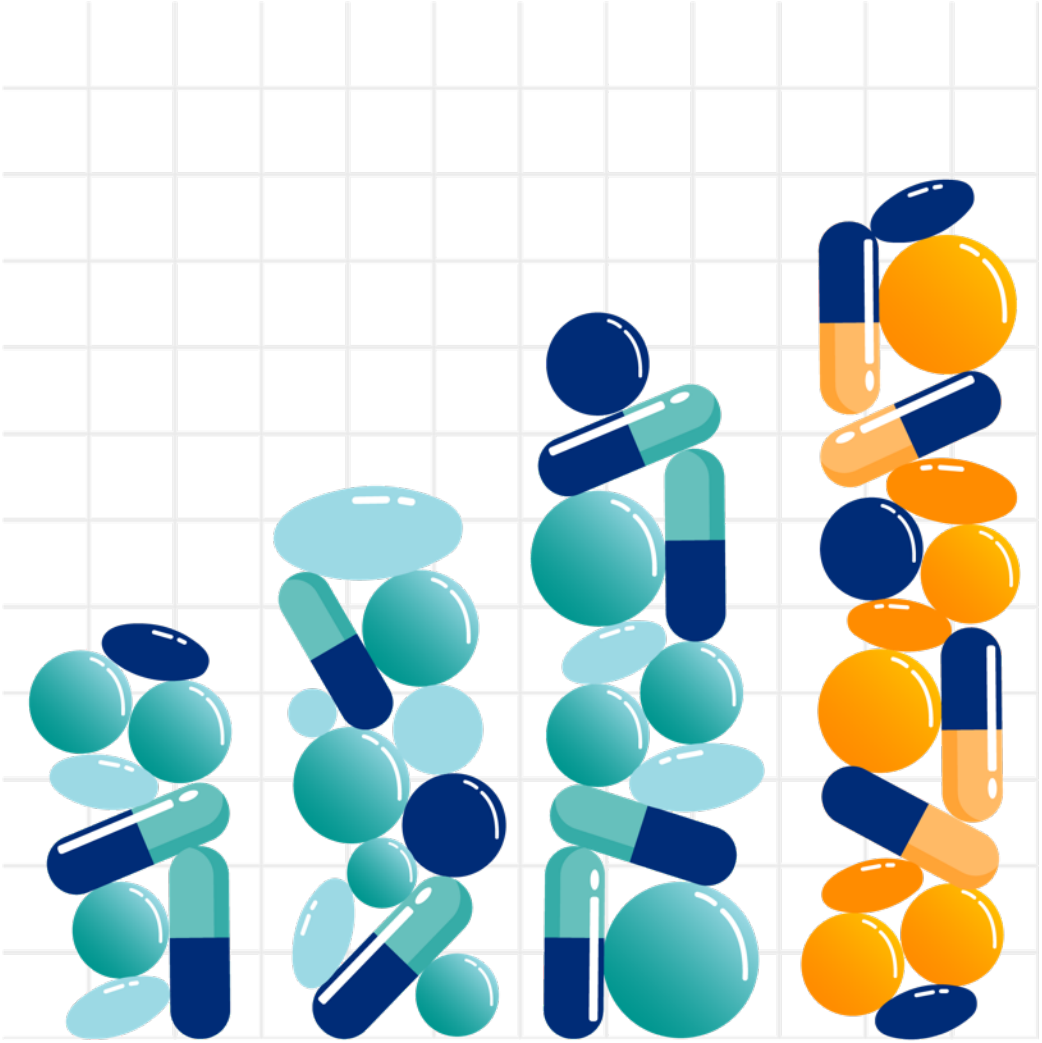


Growing costs, growing solutions

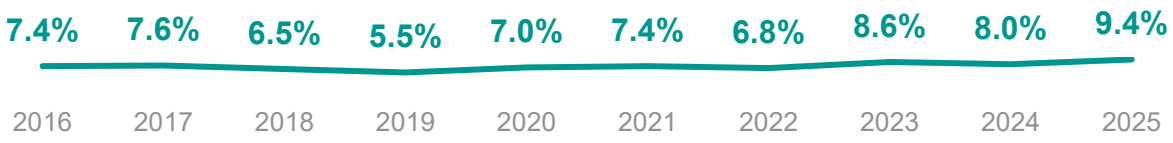
Pharmacy costs are rising faster than overall medical costs, and plan sponsors are feeling the pressure.

Prescription drug costs rose 9.4% in 2025, with specialty drugs up 8.9%.[1]

1) Understand available benefit design options.
2) Review contract pricing and terms.



Average annual change in prescription drug benefit cost per employee (after rebates), among employers with 500 or more employees[1]



1. Mercer, "National Survey of Employer-Sponsored Health Plans."

International Drug Sourcing

Why or Why Not?

International drug sourcing (IDS) is the practice of purchasing prescription medications from licensed pharmacies from other countries, commonly Canada, the UK, Australia or New Zealand.

Why

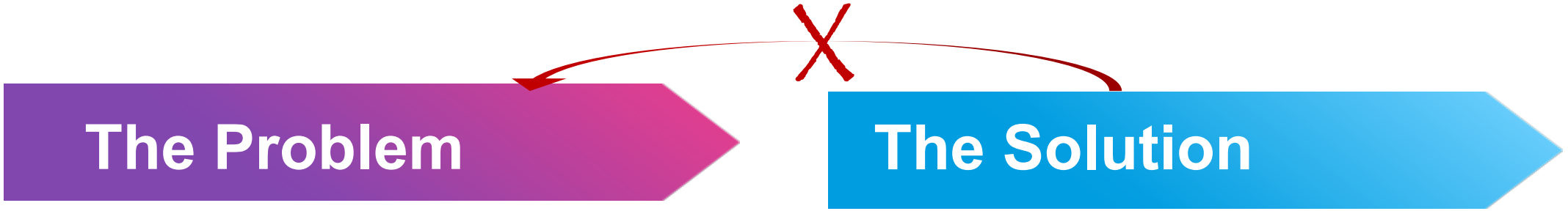
- Provides access to medications that are anticipated to cost less than in the US.

Why not

- It is against the law for a commercial health plan to import medications.
- Sourcing non-FDA-approved drugs raises liability concerns for plan sponsors.
- Impacts to individual members include potential delays in treatment due to shipping time, safety concerns from handling/ storage, counterfeits and potential differences in medication dose, ingredients or purity.
- Can potentially nullify prescription price guarantees with the prescription benefit administrator.

Plan and Benefit Options

When is a Solutions not a Solution?



Any Plan change must consider:

1) The PBM contract: exclusivity, terms, conditions, requirements.
2) The individual plan's population and utilization.
3) Cost impact net of program fees and rebates.
4) Real world outcome experience- does the savings quoted make sense?
5) Plan integration complexities.
6) Patient communications, service and processes.

Solutions that are Working for VBA

- Strong contract negotiation, pricing and management
- Low net cost formulary- biosimilar first
- Manufacturer coupon program
- Lifestyle management and preventative health measures

January 1 Formulary Changes- Biosimilar Use

Humira

Humira is used for rheumatoid arthritis, Crohns and plaque psoriasis

- Humira averaged a net cost of $4.097 per script (~$49,165 per patient)
- Biosimilars averaged a net cost of $1,146 per script (~$13,752 per patient),
  - $35,413 savings per patient annually

Since January 1, 2026

- 100% of VBA Humira users switched to a biosimilar, a savings of $849,912 annually

January 1 Formulary Changes- Biosimilar Use

Stelara

Stelara is used for and Crohns, ulcerative colitis and plaque psoriasis and psoriatic arthritis

- The originator averaged a net cost of $12,566 per script (~$81,682 per patient)
- The biosimilar averaged a net cost of $3,570 per script (~$23,205 per patient),
  - $58,478 savings per patient annually

Since January 1, 2026

- 100% of VBA Stelara users switched to a biosimilar, a savings of $526,302 annually

Key Biologic drug Exclusivity Events (2026–2029)

Over $100B in combined U.S. gross sales at risk

Year	Products Losing Exclusivity	2024 Sales	MMA Book Exposure
2026	Simponi/Simponi Aria (J&J), **Xolair** (Novartis), Perjeta (Genentech)	~$13.7B	$42.7M | 16K claims (Xolair $16M, Perjeta $8M, Simponi $8M)
2027	**Trulicity** (Eli Lilly), Nucala (GSK)	~$14.8B	$18.8M | 23K claims (Trulicity: 22,937 claims)
2028–2029	**Keytruda** (Merck), **Opdivo** (BMS), **Cosentyx** (Novartis), **Ocrevus** (Genentech), **Enbrel** (Amgen), **Entyvio** (Takeda),Darzalex IV (J&J), **Orencia** (BMS),	~$61.4B	$202M | 26K claims (Enbrel $53M, Keytruda $47M, Cosentyx $32M, Ocrevus $27M, Entyvio $25M, Opdivo $17M, Orencia $12M)

KEY INSIGHT

The 2028–2029 window represents the most significant biosimilar disruption event in history, with $60B+ in combined reference product sales at risk. Keytruda ($21B) and Cosentyx ($8.7B) alone represent massive formulary impact opportunities.

Prevention and Support

Encourage use of Health Services/ Lifestyle Management Whenever you can!

Anthem: Total Health Complete, Sydney Health, LiveHealth Online Medical and MH/BH services, Lark Diabetes Prevention Program, Teladoc Diabetes Management, Hinge Health virtual PT services, EAP, and multiple in-network point solutions which provide access to services that support various mental/behavioral health conditions/diagnoses.

Hello Heart: AI Hypertension management (app); adding Cholesterol management October 2026

Your future is limitless.℠

MarshMMA.com

MarshMcLennan Agency

A business of Marsh McLennan