

Pharmacy Briefing | July 2024

The latest on pharmacy news, trends, and insights

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Highlights

- **U.S. Department of Justice's** Health Care Fraud Unit indicts nearly 200 defendants for over \$2.7 billion in fraud
- **Federal audit** reports that Express Scripts overcharged the American Postal Workers Union
- **CVS** pays \$45 million to state of Illinois to settle manufacturer rebate litigation
- **House Committee on Oversight and Accountability** releases report describing business practices of the "Big 3" PBMs
- **Federal Trade Commission** (FTC) releases investigative report on PBMs

U.S. Food and Drug Administration (FDA) approvals and launches

- **Kisunla (donanemab)** is approved as a once-monthly treatment for early Alzheimer's disease.
- **Pyzchiva (ustekinumab-ttwe)** is approved as an interchangeable biosimilar to Stelara, expected to launch in February 2025.
- **Zoryve (topical roflumilast)** is approved as a treatment for atopic dermatitis.

News

U.S. Department of Justice's Health Care Fraud Unit indicts nearly 200 defendants for over \$2.7 billion in fraud

- The alleged crimes include false billings for services never provided and "buybacks" in which wholesale suppliers purchased previously dispensed prescriptions from patients.
- Affected plans include both government and private healthcare benefit programs.

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Federal audit reports that Express Scripts overcharged the American Postal Workers Union

- The audit report cited overcharging of almost \$45 million over a period of five years.
- Findings included deficiencies in pass-through pricing for retail pharmacy claims and incorrect withholding of manufacturer rebates by Ascent Health Services, a PBM affiliate responsible for manufacturer rebate negotiations.

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CVS pays \$45 million to state of Illinois to settle manufacturer rebate litigation

- The state alleged that the PBM failed to pass through the full amount of rebates owed over the course of its contract.

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House Committee on Oversight and Accountability releases report describing business practices of the “Big 3” PBMs

- The executive summary of the report claims that “...patients are seeing significantly higher costs with fewer choices and worse care” as a result of PBM business practices.
- Key findings from the report include commentary on anticompetitive practices, pricing that ultimately hurts patients, the creation of foreign corporations to decrease transparency, and the impact of utilization management on health outcomes.

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Federal Trade Commission (FTC) releases investigative report on PBMs

- The report describes its findings related to a 2022 FTC order for the six largest PBMs to provide data and documents their business practices.
- Topics covered in the report include the effects of market consolidation and vertical integration, PBM relationships with pharmacies, and the influence of manufacturer negotiations on drug pricing.

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HealthAffairs publishes "National Health Expenditure Projections, 2023–32: Payer Trends Diverge As Pandemic-Related Policies Fade"

- The authors project that healthcare spending growth will outpace that of gross domestic product (GDP) in the next decade, with healthcare spend reaching 19.7% of GDP by 2032.

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President Biden releases op-ed criticizing manufacturers for diabetes drug pricing

- The president cites plans for expanded negotiations on drug pricing, unacceptably high prices for obesity drugs, and affordability struggles for patients.

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Tirzepatide bests semaglutide at weight loss in observational study

- Tirzepatide, sold under the brand name Zepbound, was associated with significantly greater weight loss over the one-year analysis period.

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Boehringer Ingelheim and GoodRx partner to launch more affordable Humira biosimilar

- The biosimilar will have a price of \$550 per two-pack and pricing will be available exclusively through the GoodRx platform.

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Observational study links Ozempic and Wegovy to vision loss

- Investigators found an increased incidence of NAION, a type of blindness, associated with patients taking semaglutide, compared to those taking other anti-diabetic or anti-obesity medications.

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UnitedHealthcare’s Level2 program, a value-based diabetes management program, is associated with significant improvements in glycemic control

- In a two-year study, patients experienced significant reductions in HbA1c compared to baseline measurements.
- The program reconciles 100% of program fees against actual savings, giving employers back the difference if savings generated is less than the program fees.

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