

Pharmacy Briefing | May 2025

The latest on pharmacy news, trends, and insights

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Highlights

- **The state of Arkansas** passes state legislation prohibiting PBMs from obtaining or holding a retail pharmacy permit.
- **President Trump** signs an executive order addressing drug pricing.
- **Centers for Medicare & Medicaid Services (CMS)** final rule excludes anti-obesity drug coverage.
- **Evernorth** publishes “Navigating the GLP-1 conundrum: Demand, cost, and sustainability” report.

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

- **Dupixent (dupilumab)** is approved for the additional indication of treating chronic spontaneous urticaria.
- **Blujepa (gepotidacin)** is approved to treat urinary tract infections.
- **Qfitlia (fitusiran)** is approved to prevent or reduce the frequency of bleeding episodes in patients with hemophilia A or B.
- **Rivaroxaban** is launched as a generic alternative to *Xarelto* for the treatment and prevention of blood clots.

News

The state of Arkansas passes state legislation prohibiting PBMs from obtaining or holding a retail pharmacy permit.

- House Bill 1150 would affect the common practice of PBMs supplying members with mail order and specialty prescriptions through PBM-owned pharmacies; retail pharmacies owned and operated by PBMs would no longer be allowed to operate within the state.

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- Similarly, a coalition of 39 state attorneys general encouraged Congress to pass federal legislation prohibiting PBMs from owning pharmacies.

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President Trump signs an executive order addressing drug pricing.

- The executive order instructs several government entities, such as the Department of Health and Human Services, Federal Trade Commission, and Office of the United States Trade Representative, to take actions that would likely alter the economics of pharmaceutical pricing.

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CMS final rule excludes anti-obesity drug coverage.

- In a November 2024 brief, CMS proposed the idea of Medicare Part D coverage of anti-obesity medications and cited estimates of a \$24.8 billion increase in direct program costs over a 10-year period if this policy were to be adopted.

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Evernorth publishes “Navigating the GLP-1 conundrum: Demand, cost, and sustainability” report.

- The report cites an 8.9% total drug trend rate from 2023 to 2024 and predicts a slight decline in drug trend rate through 2027.
- In 2024, obesity drugs contributed to roughly half of the total increase in year-over-year drug spend.
- Obesity GLP-1s were associated with a discontinuation rate over 50% within the first year of treatment.

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The federal government declares incoming tariffs on imported pharmaceutical products.

- President Trump and the commerce secretary have referenced plans for tariffs on pharmaceutical imports, but it is unclear when these tariffs will be implemented or at what rate.

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Investigational oral GLP-1 drug achieves primary endpoints in Phase 3 ACHIEVE trial.

- Orforglipron produced superior HbA1c reduction compared to placebo and was associated with an average 7.9% weight reduction in its highest tested dose.

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Sandoz files antitrust lawsuit against Amgen over *Enbrel* (etanerecept) patents.

- Sandoz received approval for biosimilar *Erelzi* in 2016, but Amgen patents have prevented the company from launching the product.

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Tennessee audit of Express Scripts finds issues with noncompliance and violation of state laws.

- The audit produced “12 formal findings and 9 additional observations” covering faulty reimbursements, failures of transparency, noncompliance with appeals processes, and improper audit procedures.

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Optum announces adoption of cost-based payment models for pharmacy reimbursement.

- The changes will be “effective immediately and with full implementation by January 2028.”
- The announcement is similar to the CVS Health TrueCost and CostVantage models announced in 2024, which also promote a cost-based reimbursement for retail pharmacies.

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Drug Channels provides annual update on vertical integration within the pharmacy industry.

- The update provides an overview on the relationships between insurers, PBMs, GPOs, pharmacies, and other entities within the current pharmacy landscape.
- Drug Channels also discusses both the potential benefits of vertical integration, as well as the drawbacks of a system that appears to be moving more toward these business models over time.

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