



Wespath

BENEFITS | INVESTMENTS

GLP-1s: Current State, Future Concerns

HealthFlex Summit | October 2024





GLP-1 Drugs Currently on the Market

For Those With Diabetes

Trulicity
Ozempic
Rybelsus
Victoza
Mounjaro

For Weight Loss (Without Diabetes)

Saxenda
Wegovy
Zepbound

Go to Menti.com

On your mobile device:

- Go to **Menti.com** or scan the **QR code**
- Passcode: **2517 3129**



What are the potential positive effects of GLP-1 drugs?

leader
bold
transpiration
creative
fast
inspiration
focus

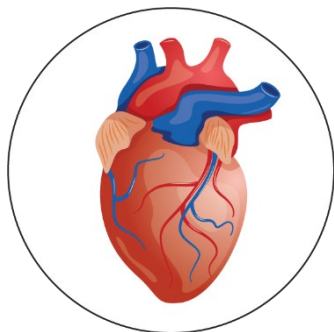


Research-Supported Positives

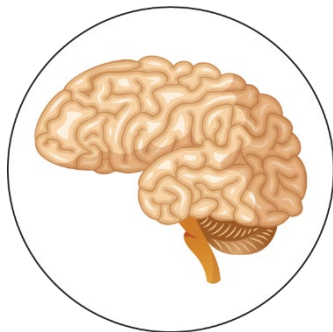
- Increased weight loss
- Blood glucose control
- Heart failure improvement
- Lower heart attack risk
- Lower stroke risk
- Improved sleep apnea
- Improved kidney function
- Improved blood pressure
- Improved mental health
- Fatty liver improvement
- Lower COVID-19 severity
- Alcohol abuse improvement
- Smoking cessation improvement
- Excessive marijuana use improved
- Less compulsive shopping
- Less cocaine abuse
- Lowered Parkinsons' disease risk
- Fewer deaths from all causes
- Lower inflammatory markers

List of research articles available upon request

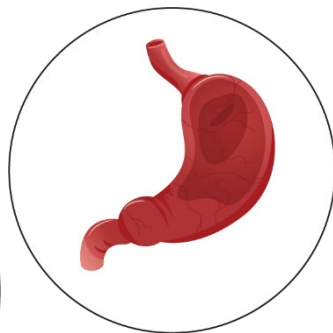
How Do GLP-1 Drugs Work?



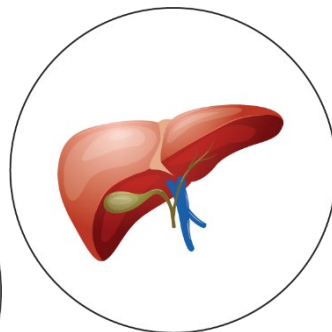
HEART



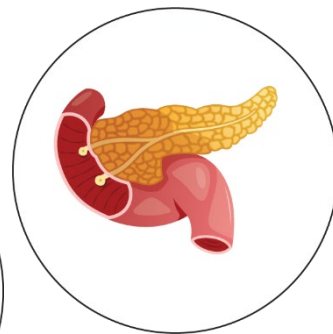
BRAIN



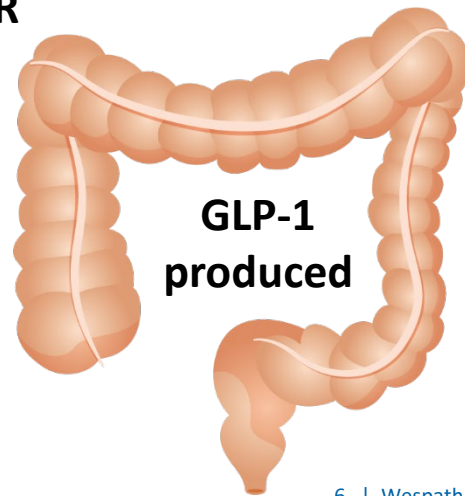
GI TRACT



LIVER



PANCREAS



**GLP-1
produced**

Who in HealthFlex Is Using GLP-1s?

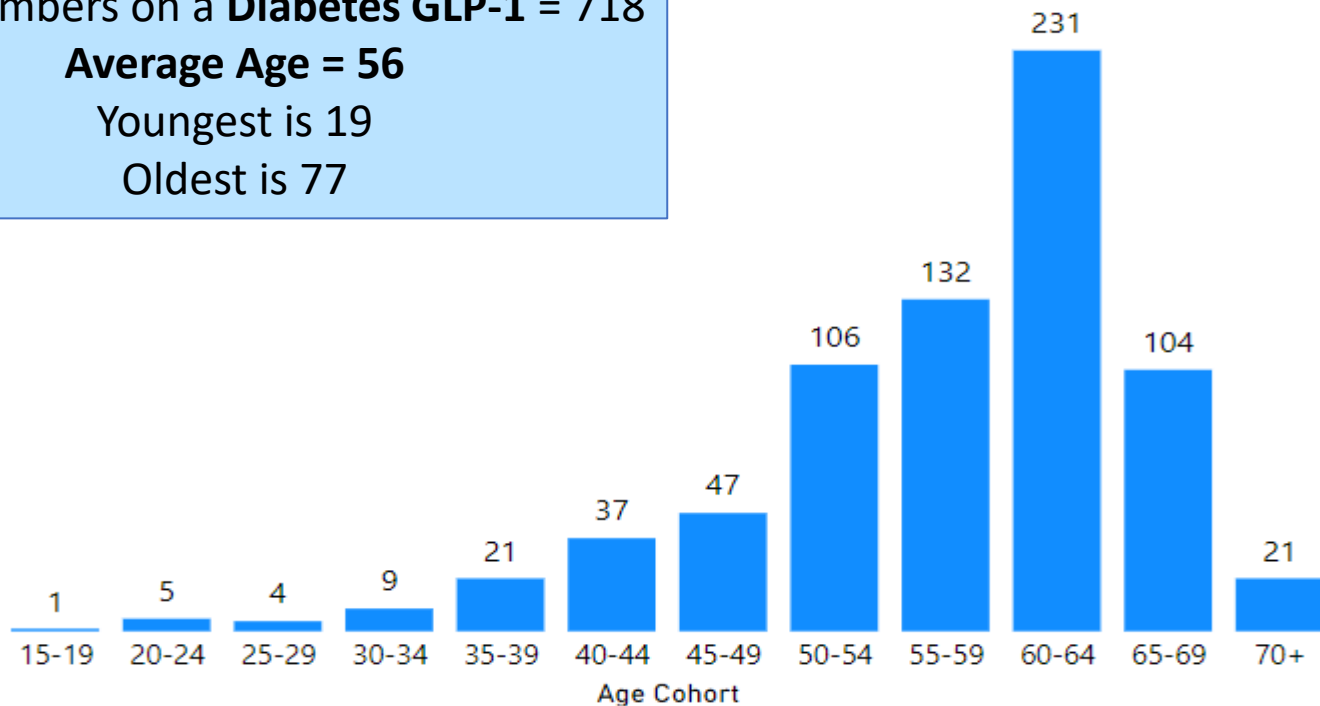


2024 Members on a **Diabetes GLP-1** = 718

Average Age = 56

Youngest is 19

Oldest is 77



Note: GMC population excluded from HealthFlex metrics

Who in HealthFlex Is Using GLP-1s?

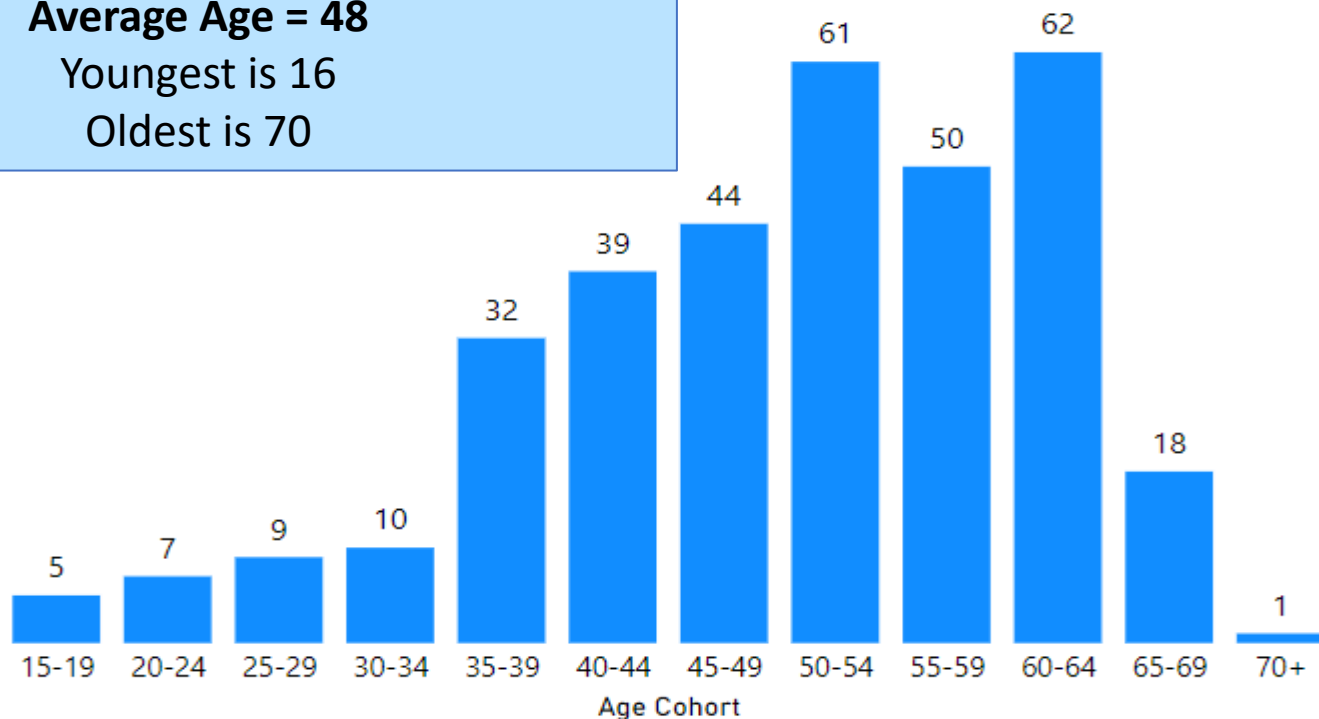


2024 Members on a **Weight Loss GLP-1** = 338

Average Age = 48

Youngest is 16

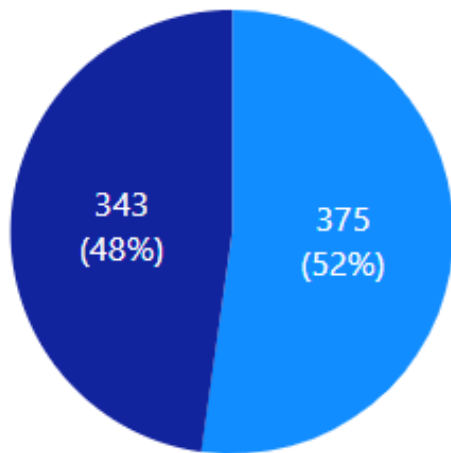
Oldest is 70



Note: GMC population excluded from HealthFlex metrics

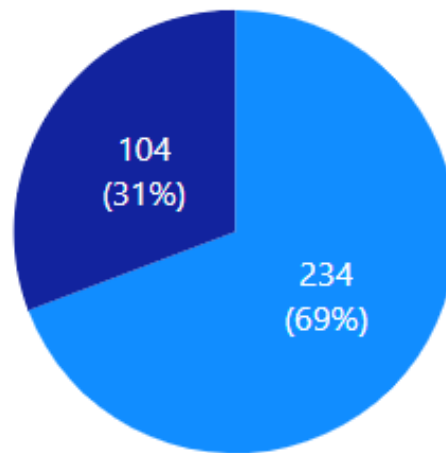
Gender Spread in HealthFlex GLP-1 Usage

Members on a **Diabetes GLP-1**



Gender ● F ● M

Members on a **Weight Loss GLP-1**

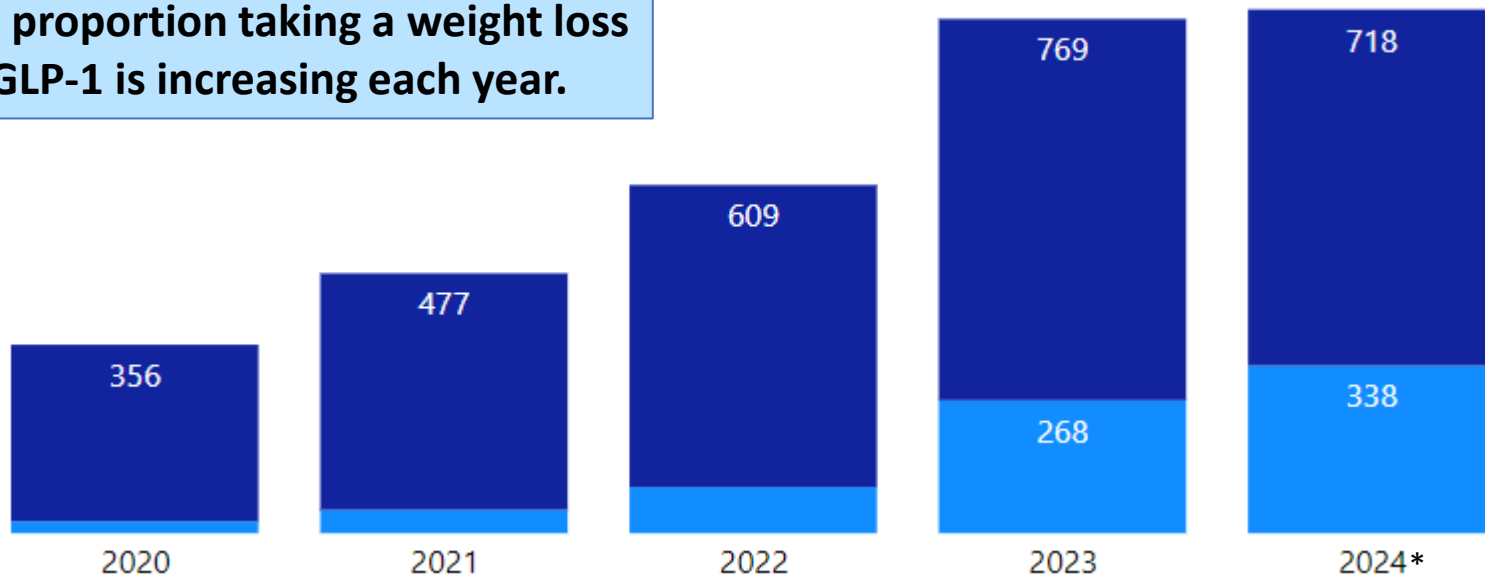


Gender ● F ● M

GLP-1 Use Is Growing Over Time

In 2024 YTD, about 2/3 of GLP-1
utilizers take diabetes version.
**The proportion taking a weight loss
GLP-1 is increasing each year.**

Total Utilizers by Year



RX Class

● Weight Loss GLP-1

● Diabetic GLP-1

** Data through
August 2024*

Indications for Weight Loss GLP-1



No diagnosis
of diabetes



Adults with
BMI ≥ 30



Adults with
BMI ≥ 27 +
another condition

Potential High Discontinuation Rate

Large 2024 study –
almost
200,000
patients

36%
of diabetes users
stop GLP-1 within
a year

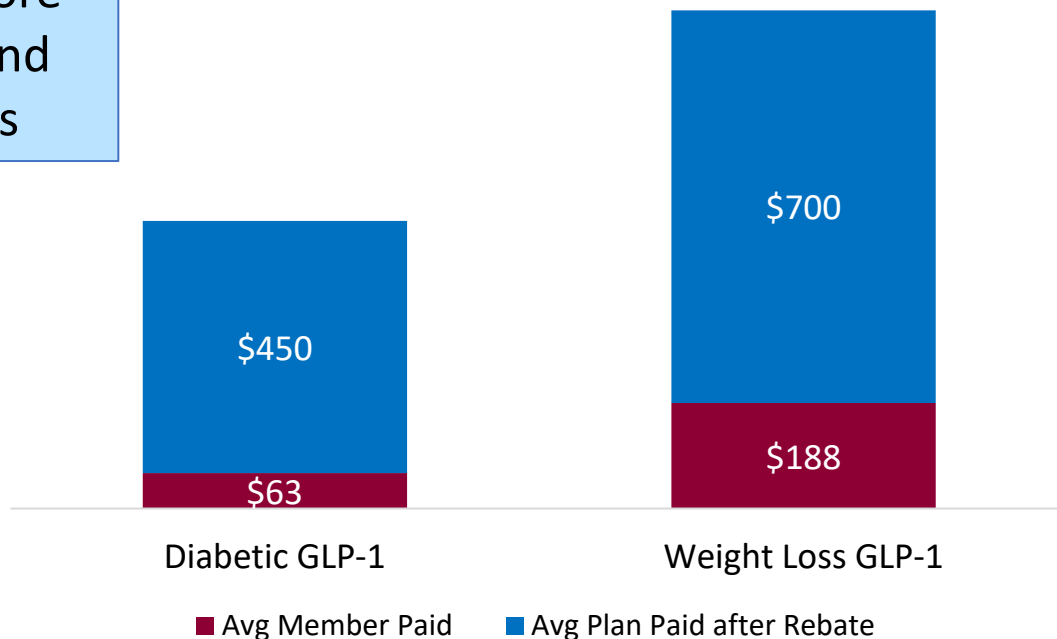
50%
of weight loss users
stop GLP-1 within
a year

How Much Do GLP-1s Cost?

Weight loss GLP-1s cost more for HealthFlex members and plan than diabetic GLP-1s

NOTE: Diabetic therapy GLP-1s are on the HDHP Preventive Drug List, but weight loss versions are not

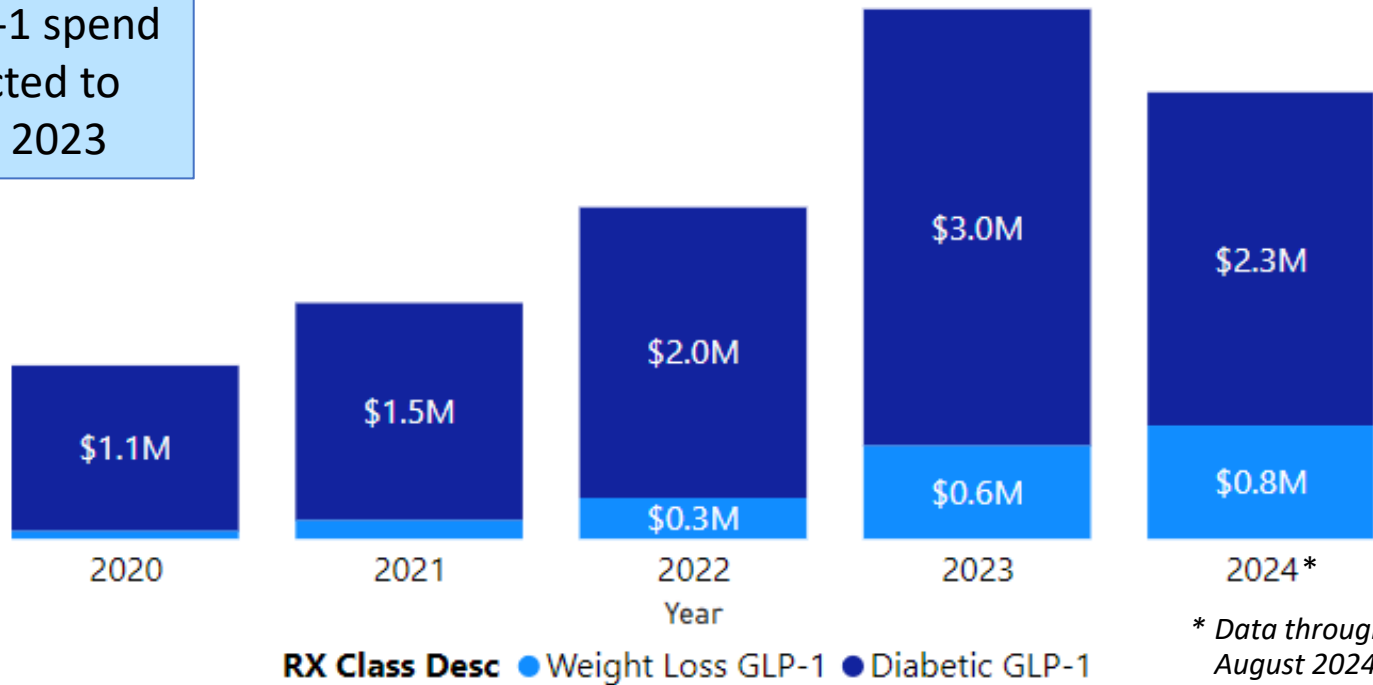
2024 Average Cost per 30-Day Fill



Based on HealthFlex data through August 2024, 28-30-day supply; drug strength does not affect Rx cost

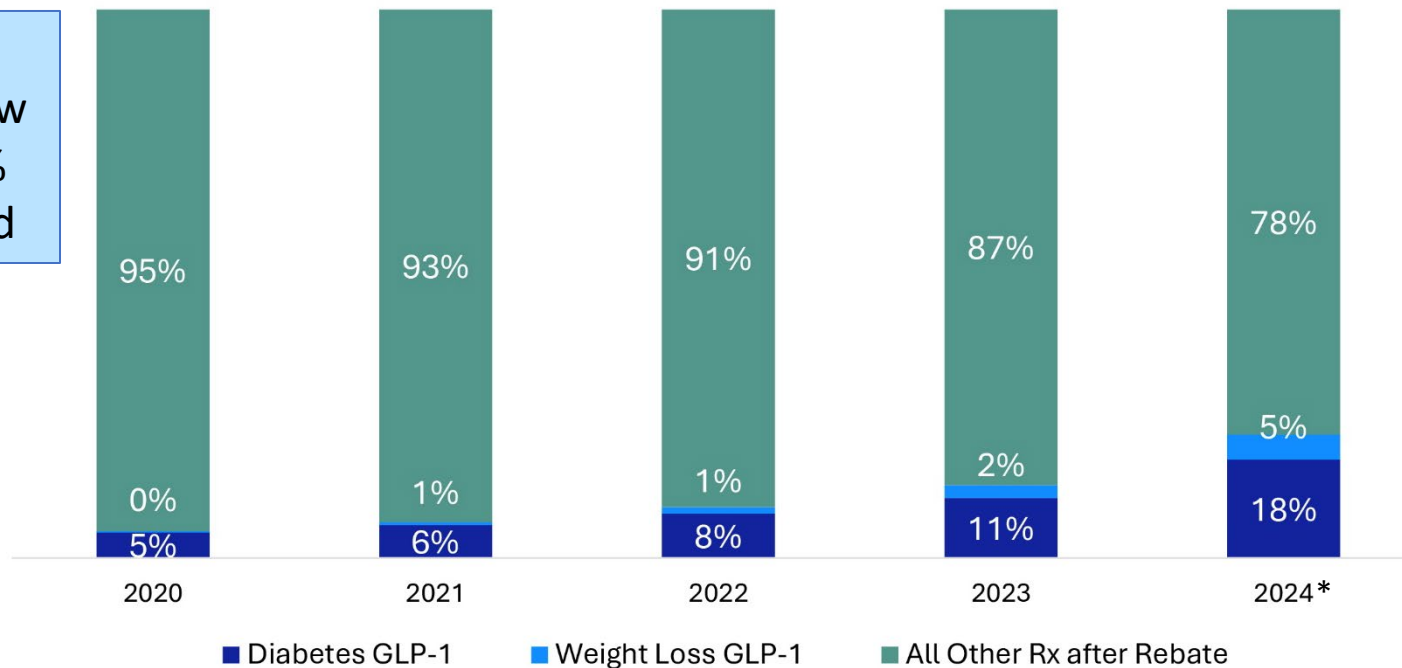
GLP-1 Plan Paid Net of Rebates Estimate

2024 GLP-1 spend is expected to exceed 2023



GLP-1 Spend as % of Total Rx After Rebates

In 3.5 years,
GLP-1 spend grew
from 5% to 23%
of total Rx spend

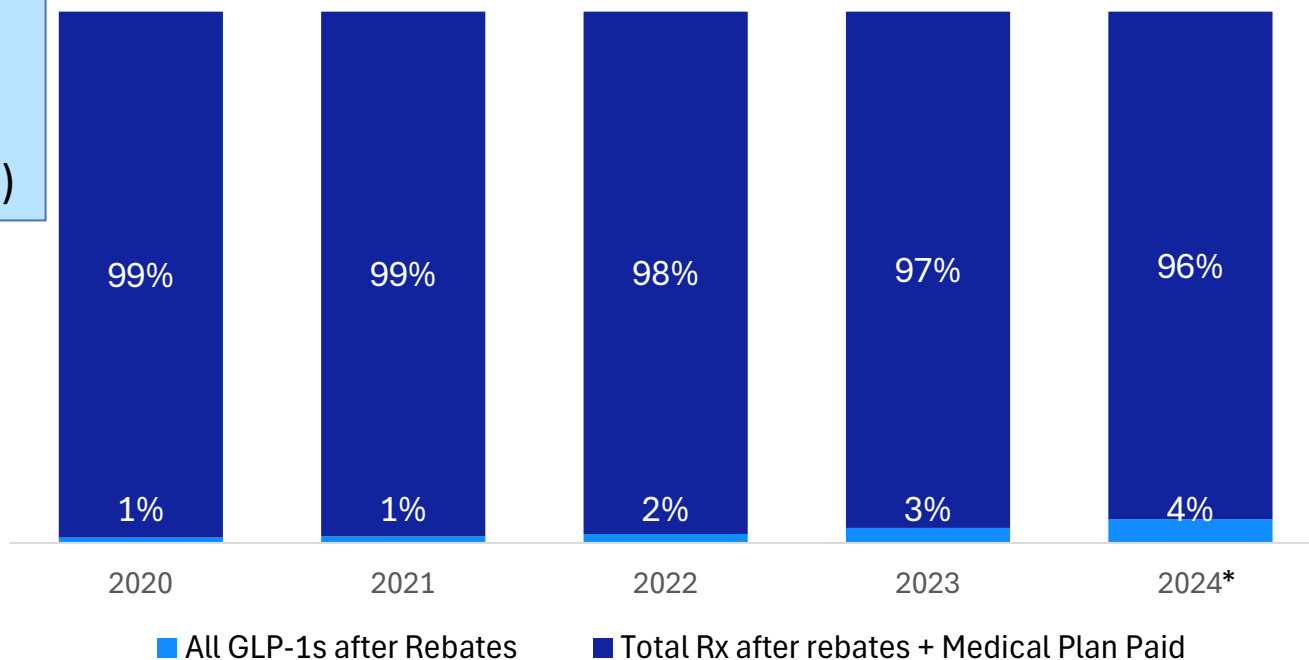


**2024 data is Jan-June*

GLP-1 Spend as % of Total Rx + Medical

All GLP-1s after Rebates as % of Total Rx + Medical Plan Paid

In 3.5 years, GLP-1 spend grew from 1% to 4% of total spend (Rx + medical)



*2024 data is Jan-June

Do GLP-1 Benefits Outweigh Costs Over Time?

Costs

- High Rx costs
- Other downsides

Benefits

- Better quality of life
- Lower medical costs



What are potential negative effects of GLP-1 drugs?

leader focus
creative
inspiration
bold fast
transpiration



Long-term impacts of GLP-1s on body composition



1. Aronne et al. Continued Treatment With Tirzepatide for Maintenance of Weight Reduction in Adults With Obesity. JAMA. 2024;331(1):38–48

2. Wilding et al. Once-Weekly Semaglutide in Adults with Overweight or Obesity. N Engl J Med. 2021.

3. Wilding et al. Weight regain and cardiometabolic effects after withdrawal of semaglutide: The STEP 1 trial extension. Diabetes Obes Metab. 2022 Aug.

4. Sargeant et al. A Review of the Effects of Glucagon-Like Peptide-1 Receptor Agonists and Sodium-Glucose Cotransporter 2 Inhibitors on Lean Body Mass in Humans. Endocrinol Metab. 2019.

Lifestyle Modification Support Is Critical



Diet



Physical
Activity



Sleep



Stress

Current GLP-1 Well-Being Support



Both have tailored GLP-1 Care Tracks

Current GLP-1 Well-Being Engagement

78%

of 2024 HealthFlex members with **diabetes** on a GLP-1 are NOT in:

- Omada
- Weight Watchers
- Coaching



71%

of 2024 HealthFlex members on a **weight loss** GLP-1 are NOT in:

- Omada
- Weight Watchers
- Coaching



Most GLP-1 users
DON'T USE
a HealthFlex
well-being
program

Potential Growth in Weight Loss GLP-1 Use



One illustration based on HealthFlex population:

$$\begin{array}{r} 1,122 \text{ Participants + Spouses} \\ \times \$700 \text{ plan paid per fill} \\ \hline \$785,400 \text{ more/quarter} \\ \hline \$3,141,600 \text{ more/year !!!!} \end{array}$$

potential new
weight loss
GLP-1 users*

* Based on 14.6% with high weight risk on 2023 Health Check but no diabetes diagnosis; excludes current weight loss GLP-1 utilizers, does not include those with moderate weight risk and another medical condition

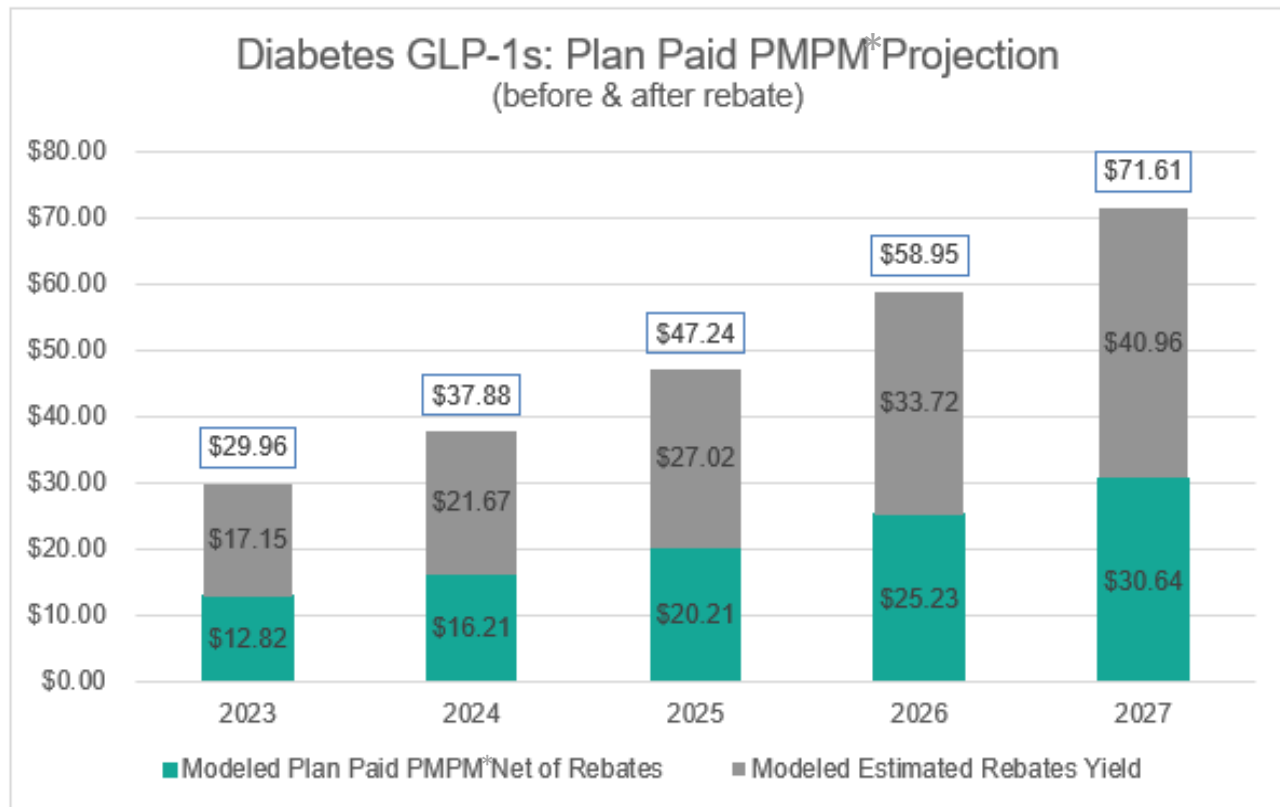
Is This Sustainable?

- 16 new GLP-1 type drugs in development*
- Will competition drop prices?
- Zepbound direct to consumer at \$400-\$500/month, but **without** the autoinjector pen; must be drawn up from a vial and injected

<https://www.reuters.com/business/healthcare-pharmaceuticals/weight-loss-market-see-16-new-drugs-by-2029-report-estimates-2024-09-10/>



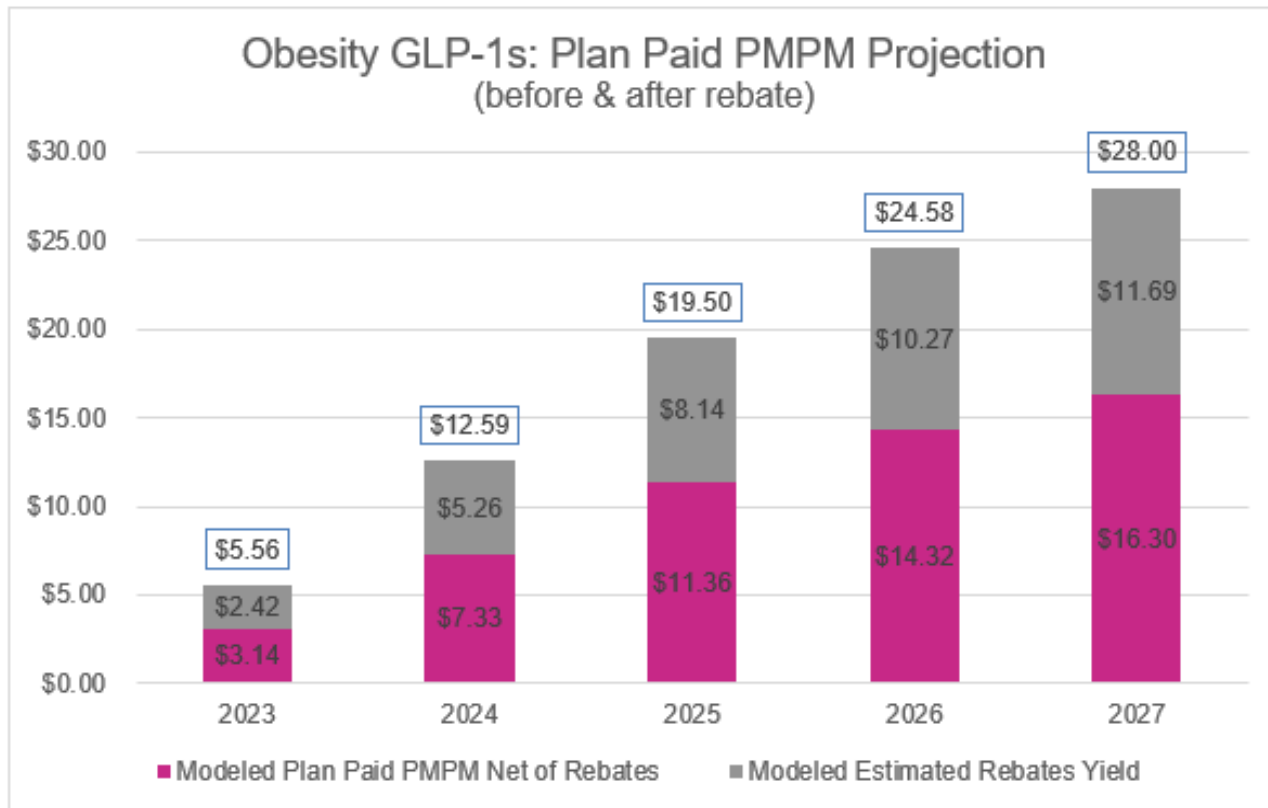
What If We Don't Impose Restrictions?



*PMPM = Per member per month

DISCLAIMER: The projections are based on assumptions and estimates with available information at the time of the analysis. They do not account for any future contracting strategy or plan design changes nor do they account for any impact pertaining to future regulatory changes. Actual experience may deviate from the projections. Optum Rx is not responsible for any decisions or outcomes that may result from the use of this

What If We Don't Impose Restrictions?

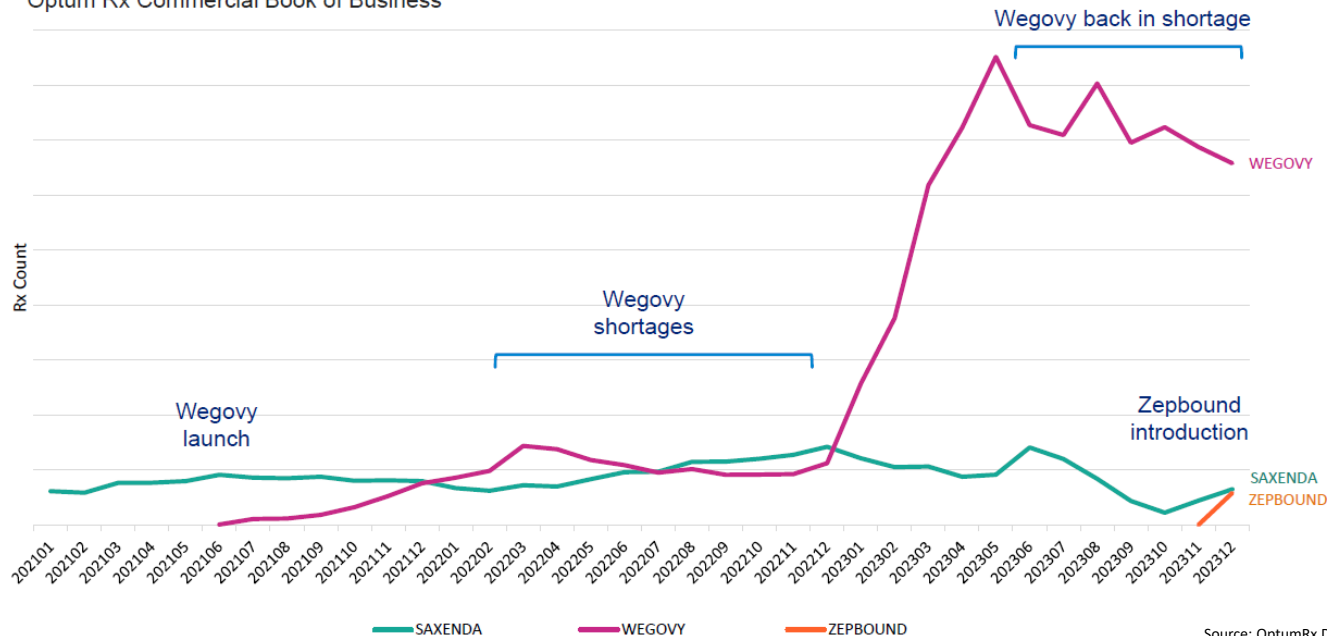


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What If We Don't Impose Restrictions?

Obesity GLP-1/GIP Monthly Claim Volume

Optum Rx Commercial Book of Business



Headlines and Insights

- 44% of individuals surveyed would change jobs to gain coverage for obesity treatment
- Nearly 82%, or 4 out of 5 Obesity GLP-1 utilizers are female.
 - 49% of utilizers are female, age 35-54
- 9% of adults have severe obesity BMI >40¹
- More than half of U.S. adults are eligible for an obesity GLP-1/GIP, based on FDA package labeling.¹

Source: OptumRx Direct Commercial line of business.
1 Census.gov and NHS 2017-2020 Stats

How Can We Manage Potential Trend?



Remove weight-loss GLP-1 drugs from formulary



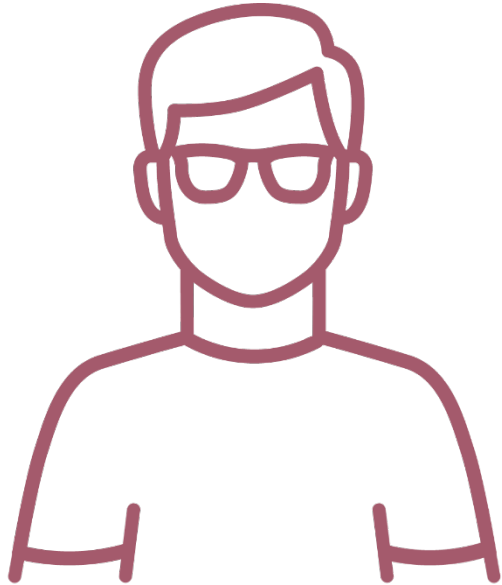
More restrictive prior authorization requirements for weight-loss GLP-1 drugs

- This reduces access to rebates



Add requirements for individuals using GLP-1 weight loss drugs

Possible Requirements

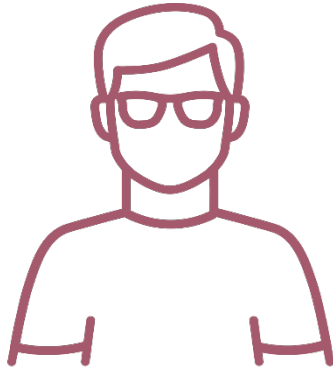


Additional member
lifestyle support



Provider
restriction

Caution to Avoid Confusion



Additional
member lifestyle
support



Provider
restriction



WeightWatchers

What is your preferred way to manage this potential trend?

0

Stop offering weight
loss GLP-1

0

Decrease eligible
population

0

Require member
lifestyle support

0

Restrict prescription to
certain providers

0

No management

0

Something else

Answers

Questions

Comments

Help

Logout

Settings

Help

Help

Help

Help

Help

Help

Help

Considering the Options

- GLP-1 drugs can be life changing for many
- Significant costs to individuals and the plan could be involved





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BENEFITS | INVESTMENTS

Appendix

Potential High Discontinuation Rate

- May 2024 study of almost 200,000 new users showed high 12-month discontinuation rates
- 50% discontinuation rate for weight loss utilizers
36% discontinuation rate for diabetes utilizers
- Higher odds of discontinuing in this study:
GI side effects, Black, male, Medicare or Medicaid,
live in area with high level of social needs

doi:[10.1001/jamanetworkopen.2024.13172](https://doi.org/10.1001/jamanetworkopen.2024.13172)

Indications for Weight Loss Version

- No diagnosis of diabetes
- Adults with BMI ≥ 30

(Some can be used in children as young as 10 y.o.)

OR

- BMI ≥ 27 plus a “weight-related” health condition
(e.g., Cardiovascular disease, stroke risk, Hypertension, fatty liver, high cholesterol, sleep apnea)
- Should be used with a reduced-calorie meal plan and increased physical activity