

# The World of GLP-1s

Past, Present and Future State of Weight Loss Prescribing

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# Introductions

## Speakers:

Peter Norton, MBA

- *Area Vice President, Pharmacy, AJ Gallagher*



Nick Rabatic

- *Area Senior Vice President, AJ Gallagher*



## Moderator:

Brian O'Keeffe, Ed.D, SFO

- *Assistant Superintendent for Business Operations,  
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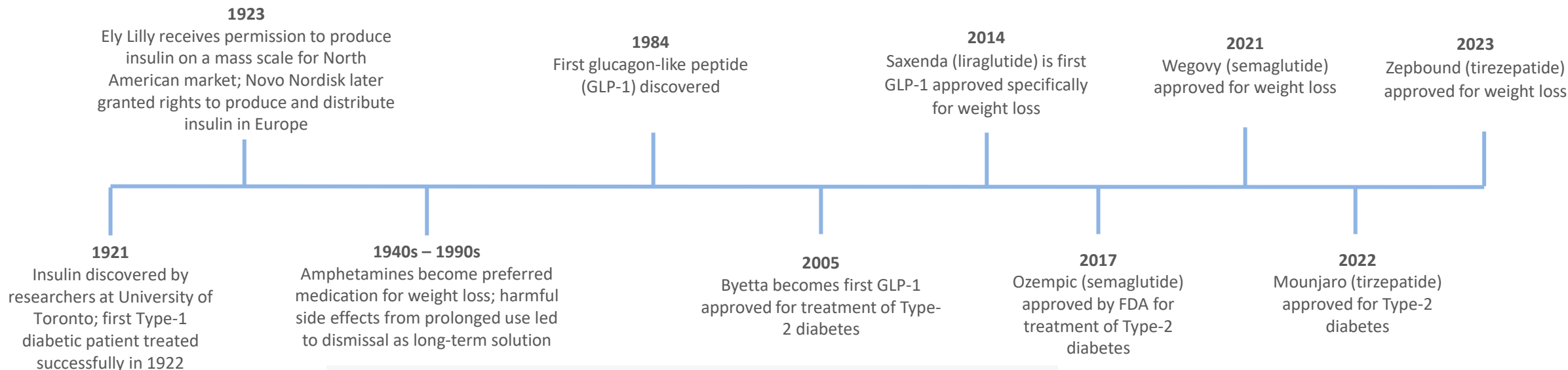


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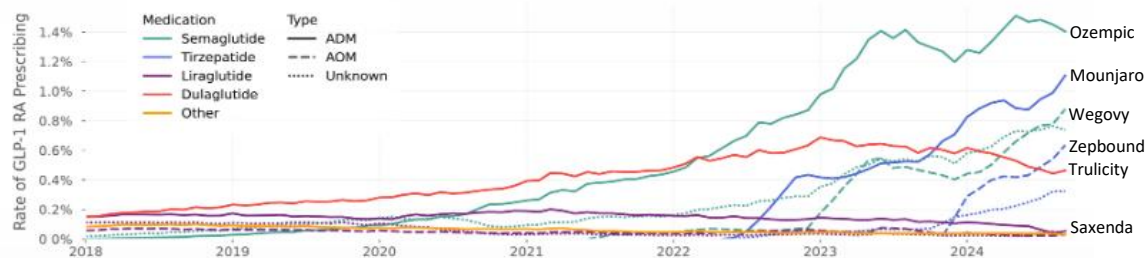


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# GLP-1s: A brief history



Rate of GLP-1 RA prescribing over time, by medication and labeled use



"GLP-1 RA prescription trends: January 2018 – September 2024" 2024. Truveta.com.

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# GLP-1 market update

## Where things stand today

- Potential loss of 15-20% of body weight, DTC advertising and popular press coverage has added tremendous demand
- Payers are likely to face challenges regardless of what GLP-1 coverage strategy they choose due to high costs and high demand for these drugs
- Individuals continue to seek coverage for type 2 diabetes (T2D) GLP-1s and use the drugs off-label for weight loss
- An estimated 50% of self-funded employers are not covering GLP-1s for weight loss
- In 2023, non-healthcare organizations reported PMPM costs for GLP-1 medications ranging **from \$16 to \$30 PMPM**, respectively. For healthcare organizations, the high end of the range was approaching **\$50 PMPM**.

# What do we know?

Average price tag of semaglutide is  
**\$10,500 - \$12,500**  
per year per patient

Median duration on therapy is  
**~6 months**

Relatively high **discontinuation**  
rates (due to adverse effects, non-  
adherence, etc.) up to 40% discontinue  
therapy within **1 year**

Consideration of hospitalization and  
medical costs of **adverse  
events**

Influx of **point solutions** to  
supplement lifestyle modifications, and  
care services for weight management

At this time, most fully-insured plans  
consider weight management a cosmetic  
**exclusion**, unless mandated by  
state law

## *Do the outcomes justify the costs and potential risks?*

- Majority of ICER panelists found semaglutide combined with lifestyle modifications represents "low" long-term value for money overall and "low" long-term value for money compared to legacy products (i.e. Qsymia)
- Estimated lifetime cost is ~\$274k for Wegovy, with an offset to medical cost of ~\$62k for a net lifetime cost of ~\$213k
- Prime Therapeutics conducted a 2-year analysis which found "no reduction in obesity-related medical events," such as heart attacks, strokes and diagnoses of type 2 diabetes, or use of prescription drugs for hypertension and high cholesterol compared to the control group

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# GLP-1 products today

## The good...

- Highly effective
- Tolerable side effects
- High media attention
- Positive impact to other related chronic conditions

## The bad...

- Costly drug
- High consumer demand
- Some not approved for obesity
- High off-label use impacting supply issues
- When drug is stopped, weight is re-gained unless lifestyle changes occur



	Saxenda	Ozempic	Wegovy	Mounjaro	Zepbound
Active Ingredient	liraglutide	semaglutide	semaglutide	tirzepatide	tirzepatide
Route	Self-Administered injection	Self-Administered injection	Self-Administered injection	Self-Administered injection	Self-Administered injection
Dose Timing	Daily	Weekly	Weekly	Weekly	Weekly
FDA Approval	Obesity	Type II Diabetes	Obesity	Type II Diabetes	Obesity
Mean % weight loss	5.4% - 7.4%	5-10%	9.6% - 16%	Up to 20%	Up to 20%

# Estimated cost for coverage of weight loss drugs

Sample employer

Prevalence and Membership		
Prevalence of Obesity in U.S. (2021) <sup>1</sup>	42%	
Client ABC - Current Member Count	9,000	
Client ABC - Est Usage Based on US Obesity Prevalence	3,780	
Est. Annual Cost of Wegovy	\$10,000	
Estimated Annual Costs <sup>2,3</sup>		
2% members seek treatment	\$1,800,000	\$16.67 PMPM
4% members seek treatment	\$3,600,000	\$33.33 PMPM
5% members seek treatment	\$4,500,000	\$41.67 PMPM
10% members seek treatment	\$9,000,000	\$83.33 PMPM

1. <https://www.cdc.gov/obesity/data/prevalence-maps.html>. Accessed 04/10/23

2. Estimated gross cost includes member costs but nets out rebates, assumes 8 scripts (30 days supply) filled per year.

3. Based on national estimated prevalence of obesity, Client ABC current population size and 8 scripts (30 days scripts) per year per member, assuming partial adherence

# Drug pipeline for weight loss

More new products on the horizon

Drug Name	Manufacturer	Dosing Frequency	Route	Status
Oral semaglutide	Novo Nordisk	Once daily	Oral	Phase 3; 2024
CagriSema	Novo Nordisk	Once weekly	SQ	Phase 3; 2026
Orforglipron	Eli Lilly	Once daily	Oral	Phase 3; 2026+
Retatrutide	Eli Lilly	Once weekly	SQ	Phase 3; 2027

- This chart notes weight loss drugs that are pending approval or in Phase 3. The pipeline is robust with multiple weight loss drugs in phase 2 trials as well
- Some of these drugs are also seeking other indications for Type 2 diabetes mellitus and non-alcoholic steatohepatitis (NASH)
- Currently weight loss medications are not commonly used in the pediatric population. With the new American Academy of Pediatrics (AAP) guidelines and recent label expansions of the GLP-1 RAs for weight loss, utilization in this population is anticipated to increase.

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# GLP-1s: Beyond diabetes and weight loss

## Pipeline for new products and indications

1Q 2025	2Q 2025	3Q 2025	4Q 2025	2026+
<ul style="list-style-type: none"><li>• Zepbound for OSA*</li><li>• Ozempic for CKD + diabetes</li><li>• <b>Rybelsus (semaglutide)</b> - 1st oral weight loss agent</li></ul>	<ul style="list-style-type: none"><li>• Zepbound for Heart Failure</li></ul>	<ul style="list-style-type: none"><li>• Wegovy for Heart Failure</li><li>• <b>Orforglipron – new oral weight loss agent</b></li><li>• Wegovy for MASH</li></ul>	<ul style="list-style-type: none"><li>• No anticipated FDA approvals</li></ul>	<ul style="list-style-type: none"><li>• Alzheimer's Disease approvals</li><li>• <b>New agents and mechanisms: CagriSema, Retatrutide, Survodutide</b></li></ul>


\*Approval received December 20, 2024

CKD = Chronic Kidney Disease

MASH = metabolic dysfunction-associated steatohepatitis (fatty liver disease)

OSA = obstructive sleep apnea

**BOLD** = new product and/or formulation approvals

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# Weight management vendors

## Potential partners

- GLP-1s for weight loss pose the issue of how to keep members engaged and motivated to change behavior when they don't have the "stick" of a Type-2 diabetic diagnosis
- Pharmacy Benefit Manager (PBM) programs like Express Scripts' EncircleRx have a third-party weight management element included, which makes up much of the cost of the program
- Outside of PBM programs, several vendors have emerged as partners to health plans/plan sponsors as solutions to engage membership and encourage GLP-1 patients to adopt and maintain healthier lifestyles, which maximizes the value of the medication
- PBMs are beginning to enforce fees and potential rebate impacts for clients that enlist these 3<sup>rd</sup> party solutions

EncircleRx

 **virta**

**Teladoc**  
HEALTH

**Calibrate**

 **vida**

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# Key considerations for plan sponsors

- 1 Plan elections regarding coverage of weight loss\*
- 2 Review/understand PBM's Prior Authorization criteria relative to competitors
- 3 Additional new products and indications on the horizon
- 4 Explore third party vendors for utilization management and weight management
- 5 Adherence monitoring and possible novel payment solutions
- 6 Review of medical data to identify and address off-label use for diabetic indications



\*An estimated 50% of commercial plan sponsors are currently excluding weight loss medications from coverage

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# Questions and Answers

*We thank you for your time!*

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# Presenters:

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