



Navigating  
with a  
**trusted partner**

**2024**  
Drug Trend  
**Report**  
Executive summary





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The U.S. health care system is undergoing a profound transformation. Overall health spending is almost \$4.9 trillion and projected to increase nearly 6% per year over the next decade.<sup>1</sup> One of the fastest growing components, prescription drug spending, rose to \$487 billion in 2024, an 11.4% increase over the previous year.<sup>2</sup>

During this time, unique, breakthrough therapies present novel treatment options but often at an even higher cost. Within this landscape, targeted immunomodulators (TIMs) and glucagon-like peptide-1 receptor agonists (GLP-1 RAs) are influencing the broader industry.

This is a time for bold action, where transparency, accountability and innovation are essential to control rising health care costs. At Navitus, we empower plan sponsors to manage total costs without compromising care.

The Navitus Drug Trend Report, now in its ninth year, provides insights into actual drug costs. Despite industry-wide inflation, Navitus successfully held overall drug trend to 7.0%, with 30% of our commercial clients experiencing a negative net total cost trend.

These results underscore our industry leadership, as we continue to drive to lowest net cost and deliver meaningful savings for our clients. As a company, we prioritize:

- Clinically appropriate prescribing, utilization and formulary management
- Generic-first strategies and timely adoption of biosimilars
- Passing through 100% of negotiated rebates and discounts to our clients
- Managing specialty costs across both the pharmacy and medical benefit

As a pharmacist, I've seen firsthand the life-changing impact medications can have on patients. I also understand the challenges plans and payers face in delivering sustainable benefits and effective clinical care. It's essential to provide clear insight into drug costs to determine value and to ensure more affordable access for the patients who rely on them.

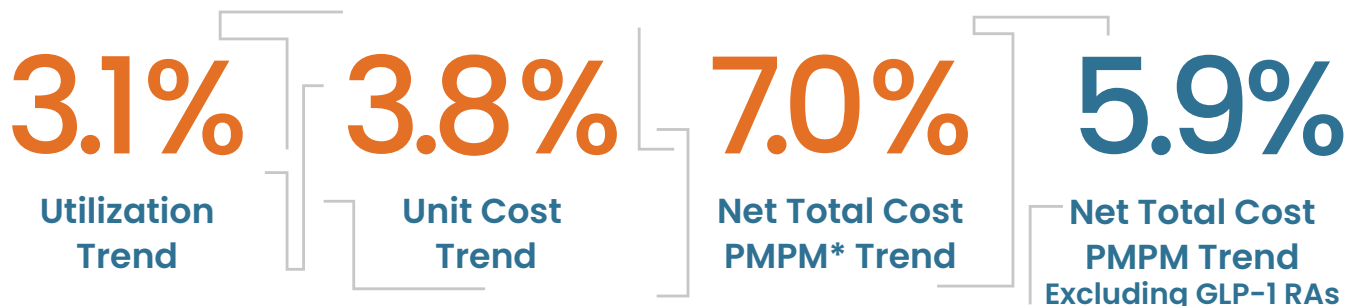
This report focuses on drug cost and utilization trends within our commercial book of business, and I encourage you to review both the executive summary and full report. We are proud to provide these insights and share actions that we are taking to bend the cost curve for clients in this challenging environment.



**Sharon Faust, PharmD, MBA, CSP**

Chief Pharmacy Officer

## Overall Trend Introduction



\* Per member per month (PMPM)

“ Navitus stands out for its commitment to transparency and lowest net cost, which has significantly benefited Progressive and its members. From the outset, their 100% pass-through model has ensured that we receive the full value of manufacturer rebates and discounts, directly translating to reduced pharmacy costs [...] Overall, Navitus has proven to be a reliable and flexible partner, consistently helping us manage costs while maintaining high-quality care for our members. ”

– Heidi Minter | Data Analyst, Benefits Design & Services, Progressive Insurance

**30%** of Navitus clients had a **negative net total cost trend** in 2024

### Sources:

1 American Medical Association, Trends in Healthcare Spending. [www.ama-assn.org/about/research/trends-health-care-spending#:~:text=Health%20spending%20in%20the%20U.S.,%25\)%20and%202021%20\(18.3%25\)](https://www.ama-assn.org/about/research/trends-health-care-spending#:~:text=Health%20spending%20in%20the%20U.S.,%25)%20and%202021%20(18.3%25).). Updated April 17, 2025. Accessed April 23, 2025.

2 Understanding the Use of Medicines in the U.S. 2025: Evolving Standards of Care, Patient Access, and Spending, IQVIA. [www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/understanding-the-use-of-medicines-in-the-us-2025](https://www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/understanding-the-use-of-medicines-in-the-us-2025). Published April 2025, Accessed May 19, 2025.







## Spotlight: Targeted Immunomodulator Biosimilars

Targeted immunomodulators (TIMs) treat a wide range of autoimmune disorders, from rheumatoid arthritis and psoriasis to inflammatory bowel diseases. TIMs are incredibly beneficial to patients and therefore have seen significant utilization growth, despite their high cost. In 2024, TIMs represented nearly 40% of all specialty spend, and Humira® (adalimumab) products accounted for 30% of utilization within the TIMs category. In fact, Humira is the highest-grossing medication of all time, with approximately \$200 billion in revenue for AbbVie since launch.<sup>3</sup>

The launch of Humira biosimilars in 2023 significantly changed the landscape of the category. Increased competition drove higher manufacturer rebates, leading to significant cost reductions. In June 2024, Navitus took a decisive step to lower costs further by removing Humira from its formularies after adding adalimumab biosimilars. This strategic move led to a 5% drop in net costs in the TIMs category for commercial plan sponsors.

2024 marked the **second straight year of declining net cost** in this category, despite a 9% increase in utilization.

97%

Conversion  
from Humira to  
biosimilars

60%

Reduction in  
net cost per claim

\$315M

Upfront cost savings  
in 2024

### What is a biosimilar?

The Food and Drug Administration (FDA) defines a biosimilar as a biological product that is highly similar to an FDA-approved biologic (known as the originator, or reference, product) and used in the prevention or treatment of disease. While not chemically identical, a biosimilar has no clinically meaningful difference from a reference product. It is FDA-approved for use after rigorous evaluation and testing is demonstrated by the manufacturer applicant. An approved biosimilar can treat illnesses with the same clinical efficacy as the reference product.

**Want to learn more?** Download our white paper, *Real-world Data Demonstrates Successful Transition from Humira to Biosimilars*: [www.navitus.com/insights](https://www.navitus.com/insights).

<sup>3</sup> Wainer D. What a \$200 Billion Blockbuster Drug Reveals About Big Pharma's Playbook. Wall Street Journal

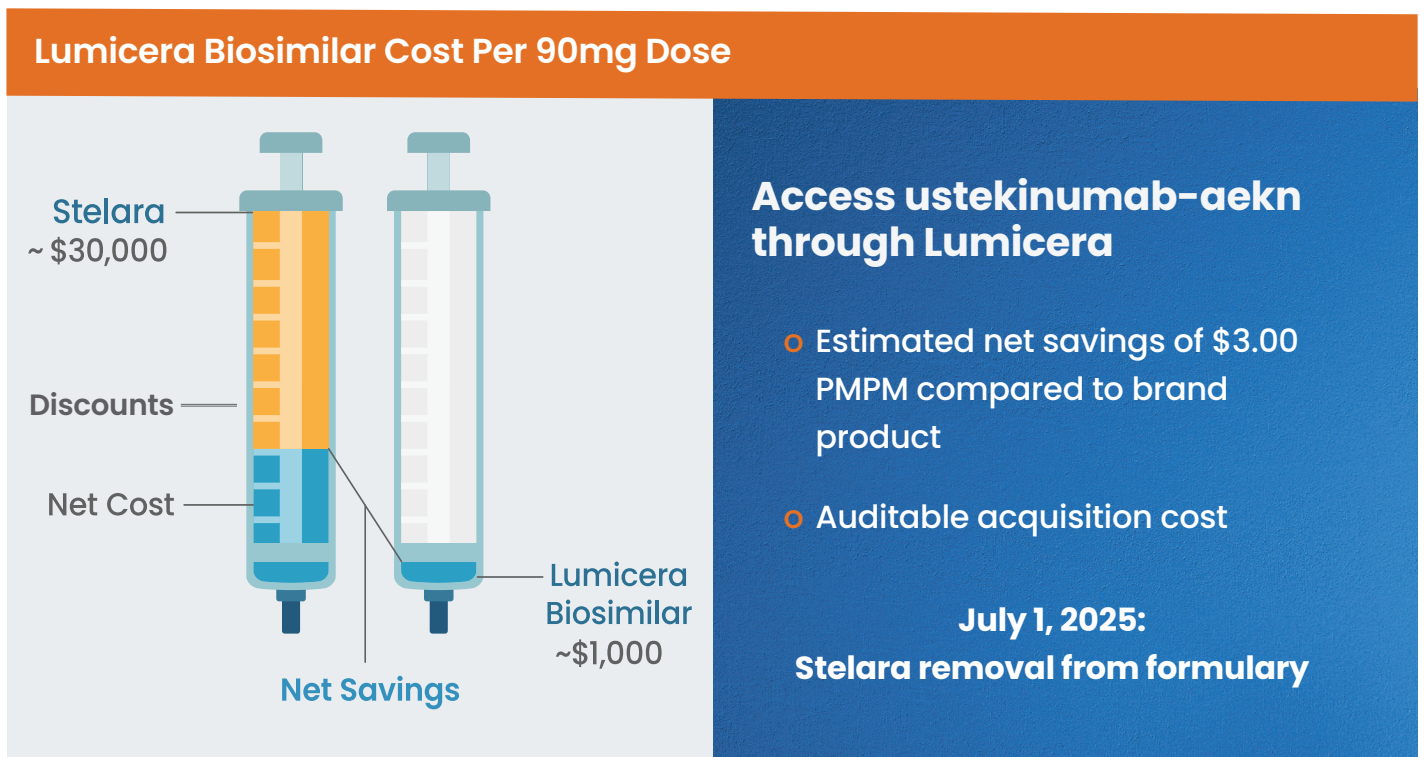
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## Stelara® Biosimilars Poised to Save 85% Off Brand Cost

Stelara, another TIMs agent used for treating moderate to severe psoriasis, psoriatic arthritis and inflammatory bowel diseases, was also a top-utilized product in this category in 2024. It represents the next big savings opportunity, with biosimilars that launched in early 2025. In preparation, Navitus announced it added biosimilar alternatives to its commercial formulary as of April 1, 2025, and will remove Stelara as of July 1, 2025.

For Navitus clients that use Lumicera Health Services for specialty pharmacy, an exclusive purchase agreement secured by Lumicera for the Stelara biosimilar, ustekinumab-aekn, will deliver significant net savings, compared to the brand product. These savings will be accessed immediately through Lumicera's acquisition cost-plus model, not delayed through a rebated model. This furthers our goal to use biosimilars to create access to more affordable treatments.



**\$120 million** forecast annual net cost savings for commercial clients



## Commercial Specialty Trend

12.3%

Utilization Trend

-4.0%

Unit Cost Trend

7.7%

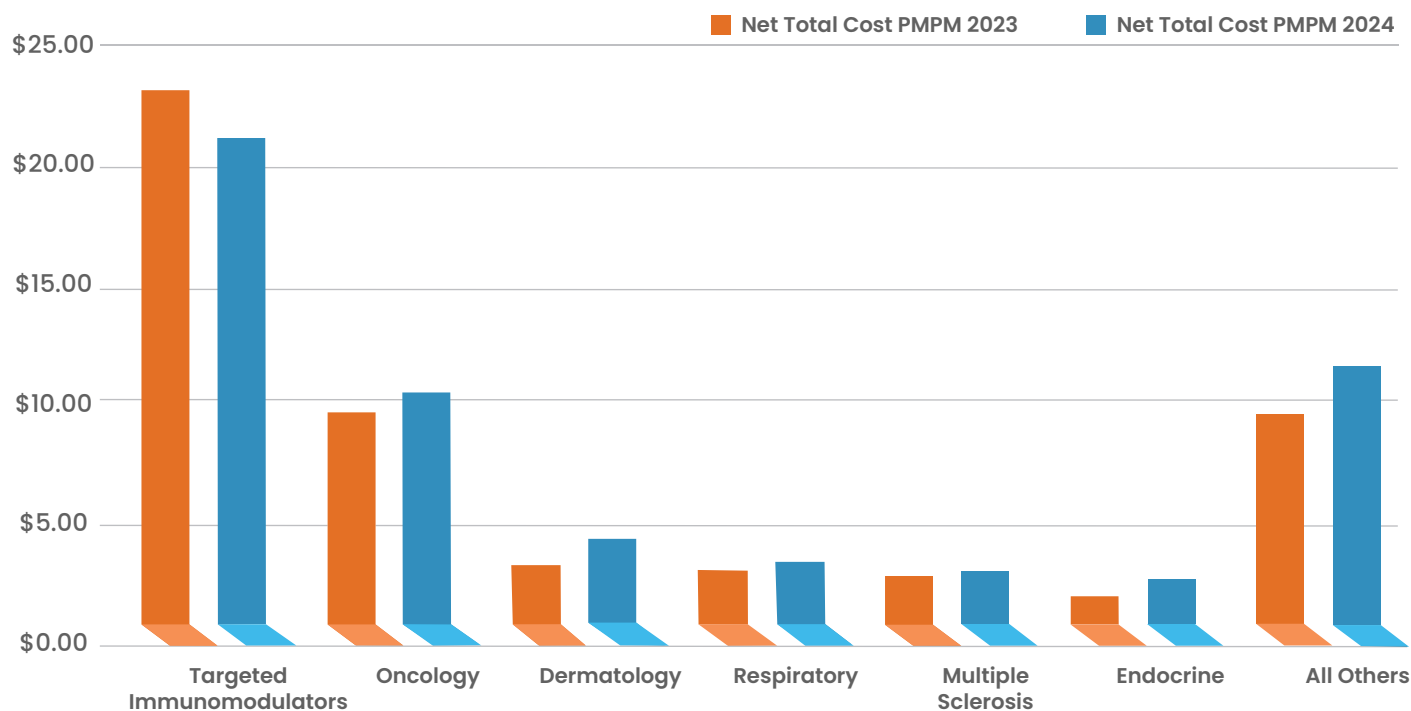
Net Total Cost  
PMPM Trend

### What is a specialty drug?

The specialty category consists of medications that are high-cost, complex and require special handling, monitoring or administration. These products can be used to treat an array of different conditions, including cancer, autoimmune disorders and other rare diseases. They can be extremely expensive but only treat a small proportion of patients.

Less than 2% of the Navitus commercial population used a specialty medication, but these drugs represented 52% of net spend because of their high cost.

## Top Specialty Categories by PMPM





## Specialty Trend is Expected to Continue to Grow, Driven by Several Factors:

- **New drug approvals:** About 75% of medications anticipated to be approved in the next two years are specialty or medical specialty agents
- **Expanded use:** Approved products gained new indications, which enables more people to use them
- **Guideline updates:** Changes are allowing for earlier and longer use of specialty agents

These ongoing trends contributed to a 12.3% increase in utilization in the last year, primarily in the oncology, dermatology and TIMs categories.

### Oncology

- Oncology had a 13.8% net trend, driven by both increased utilization (8.6%) and unit cost (4.8%).
- Utilization of newer breast cancer treatments (Kisqali®, Verzenio®) increased 20%, driving overall cost.
- Where available, generic alternatives in the oncology category offered significant savings. For example, monthly costs for generics averaged \$1,000/month, compared to over \$13,000/month for branded products.
- Commonly prescribed agents, like abiraterone and imatinib, also cost less than \$200/month through Lumicera.

### Multiple sclerosis (MS)

- Generics represented more than 50% of MS prescriptions filled and only 11% of category spend, highlighting the value of generic dispensing when clinically appropriate.
- This shift toward generic agents began in 2020 with the launch of the Tecfidera® equivalent, dimethyl fumarate, followed by the Gilenya® equivalent, fingolimod, in 2022, and the Aubagio® equivalent, teriflunomide, in 2023.



In 2024, the average generic MS agent was **significantly less expensive than a brand product** (\$800/month vs \$8,000/month)



## Specialty dermatology

- Specialty dermatology has been one of the fastest-growing categories, with a 46% net trend increase.
- Dupixent® (dupilumab) has emerged as the most rapidly growing drug in 2024, and it accounted for 96% of both cost and utilization growth within the category.
- Dupixent's use continued to grow as it was approved for new indications and expanded age ranges, significantly widening the pool of eligible people.

## Targeted immunomodulators (TIMs)

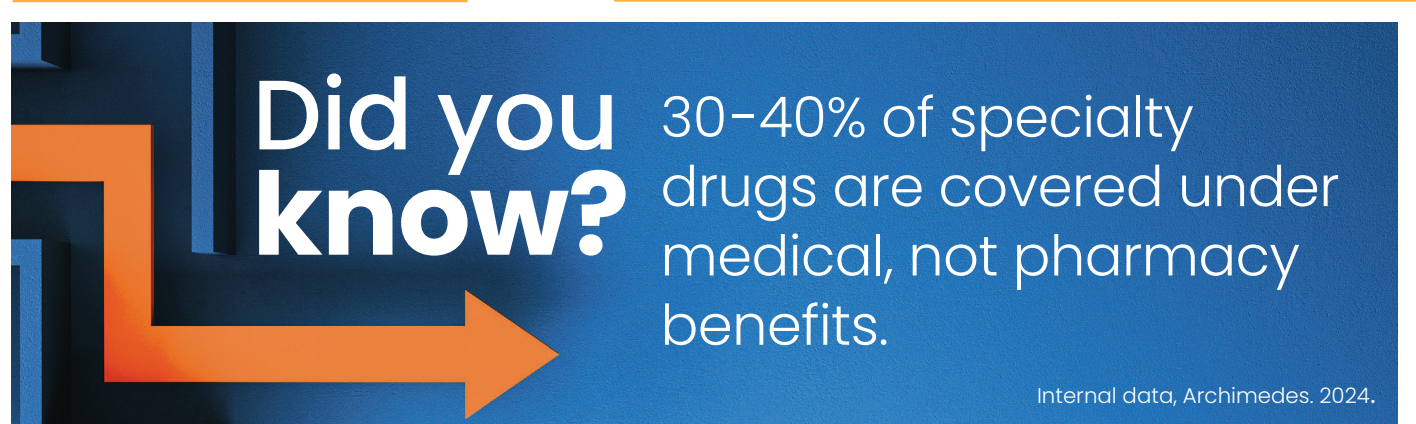
- Formulary removal of Humira in favor of biosimilar alternatives drove cost savings of nearly 60% in 2024. This was the primary driver for the 4% reduction in overall specialty unit cost.
- Increases in utilization and cost due to newer, more expensive agents created upward pressure on category trends. This is expected to continue in coming years.

## Medical specialty management

While the Navitus Drug Trend Report focuses on specialty medications managed under the pharmacy benefit, 30-40% of specialty drugs are covered under medical, which were not historically designed to effectively manage drug costs. This includes many of the most expensive specialty medications that have come to market over the past few years, such as gene therapies, which poses unique challenges for plans, including:

- Lack of transparency and visibility into medical specialty costs
- Highly variable drug pricing across sites of care
- Limited clinical management

For plans looking to effectively manage 100% of their specialty drug costs, it is crucial to consider advanced medical specialty management solutions. By partnering with [Archimedes](#), Navitus is now equipped to offer innovative solutions to manage specialty drugs comprehensively, across both the pharmacy and medical benefit.



# Did you know?

30-40% of specialty drugs are covered under medical, not pharmacy benefits.

Internal data, Archimedes. 2024.







## Commercial Non-specialty Trend

3.0%

Utilization  
Trend

3.1%

Unit Cost  
Trend

6.3%

Net Total Cost  
PMPM Trend

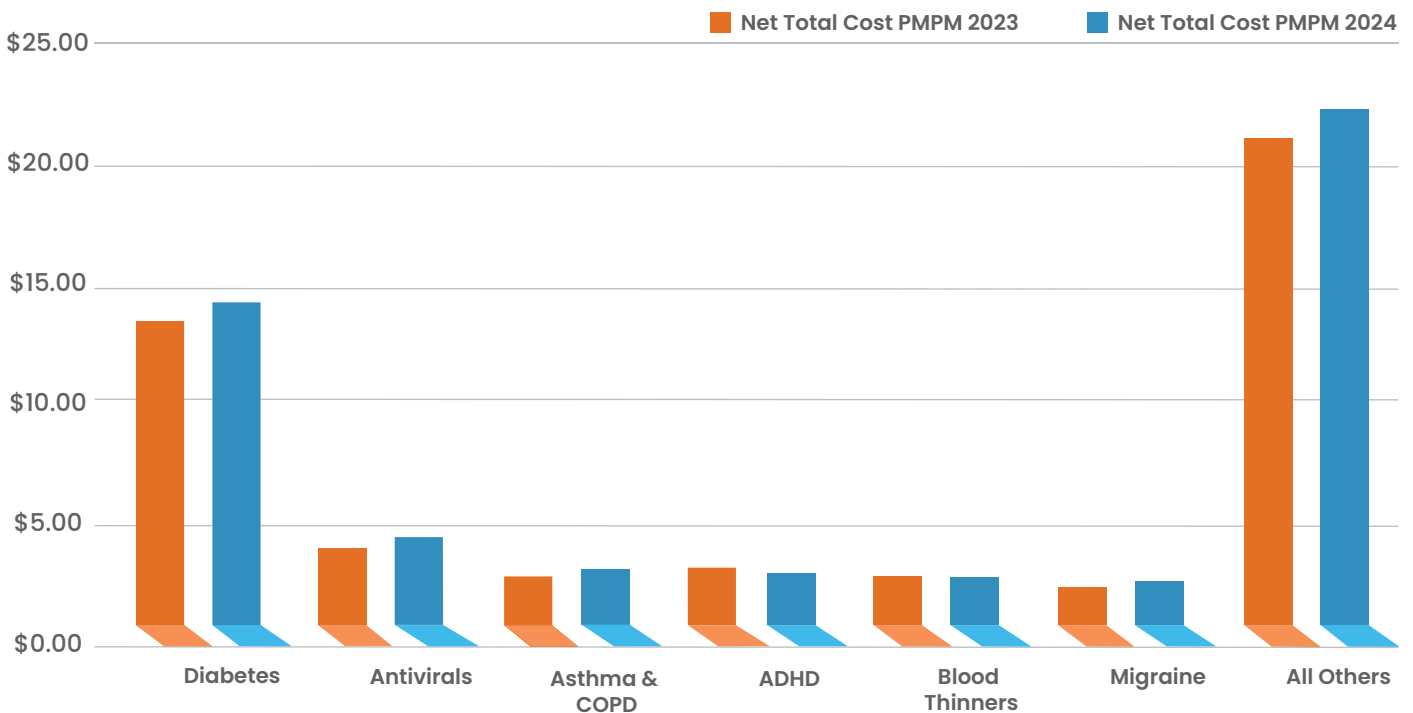
3.5%

Net Total Cost  
PMPM Trend  
Excluding  
diabetic GLP-1 RAs

The non-specialty category includes commonly prescribed medications that treat conditions ranging from high cholesterol (atorvastatin, rosuvastatin) and diabetes (metformin, Ozempic®) to migraines (sumatriptan, Ubrelvy®) and depression (bupropion, escitalopram).

98% of all prescriptions were non-specialty, but they represented less than half of total spend.

## Top Non-specialty Categories by PMPM





A 2024 Navitus survey found that nearly one in two respondents didn't fill a prescription because of cost.<sup>4</sup> This negatively impacts health outcomes and reinforces the need to use clinically equivalent, lowest-net-cost therapies to help control costs.

**89%**  
**Generic  
Dispense Rate  
(GDR)**

Generic substitution has been an effective way to control non-specialty costs. In 2024, **generic agents were 94% less expensive than brands**, averaging \$17 for a 30-day supply, compared to \$291 for brand. However, 2024 saw few new generic launches to serve as a strong lever for controlling trends. The exception was the launch of lisdexamfetamine, a generic equivalent for Vyvanse®, for attention-deficit/hyperactivity disorder (ADHD). Because of the cost savings created by this generic alternative, the ADHD category net cost decreased 3.8%, despite a 15% increase in utilization.

## In 2024, we saw notable changes in a few key categories:

### Diabetes

#### ○ GLP-1 RAs and Sodium-Glucose Transport Protein 2 Inhibitors (SGLT-2s)

Net total cost in the diabetes category was driven up by a significant increase in the use of GLP-1 RAs (26%), such as Ozempic, Mounjaro® and Trulicity®, and SGLT-2s (16%), including Farxiga® and Jardiance®. This increase was due to changes in clinical guidelines recommendations, especially for diabetics with concerns about cardiovascular disease, heart failure or kidney disease. Although net unit cost decreased for both agents in 2024, the average price per month of both SGLT-2s (>\$200/month) and GLP-1 RAs (>\$450/month) were significantly higher than other medications in the category.

To support appropriate use and curb the cost impact to our clients, **we implemented a point-of-sale diagnosis edit for GLP-1 RAs**. This not only saved over \$3.00 PMPM in costs by mitigating non-covered, non-diabetic claims, but also expedited coverage for diabetic patients compared to the standard prior authorization process.

The rising utilization of GLP-1 RAs presents a dual-edged dynamic – offering significant therapeutic benefits while posing complex challenges for payers, providers and patients alike.

**Learn more about the clinical results of our GLP-1 RA management research:** An Automated Approach to Diagnosis Automation of GLP-1 RA for Type 2 Diabetes

[navitus.com/resources/research-resources/an-automated-approach-to-diagnosis-verification-of-glp-1-ra-for-t2dm/](https://navitus.com/resources/research-resources/an-automated-approach-to-diagnosis-verification-of-glp-1-ra-for-t2dm/)

<sup>4</sup> Data derived from a survey by Navitus conducted online via Pollfish on October 2, 2024. 2,000 Americans aged 18+ completed the survey.



### ○ Metformin

Metformin remained the most prescribed medication in the diabetes category, offering members and plans an inexpensive, effective treatment option at less than \$10 per month. From 2023 to 2024, utilization increased 1% and represented 37% of total use in the category.

### ○ Insulin

2024 was remarkable for the insulin class, thanks to a price decrease of over 70% on select insulin products, including Novolog®, Humalog®, Lantus® and their generic equivalents. These changes led to a reduction in gross unit cost of nearly 40% and total net cost of 30%, compared to 2023 for the entire insulin class.

## Migraine

- Calcitonin gene-related peptide (CGRP) use grew within the migraine space due to their effectiveness in both treating and preventing migraines.
- CGRPs have become preferred therapies for prevention, since they are safer and more tolerable than historic generic alternatives.
- Despite the growth and popularity of CGRPs, inexpensive triptan products still made up 67% of utilization within the migraine category.

## Antivirals

- Total cost trend for HIV treatments increased 7%, due to guideline-preferred brand medications.
- These products represented 78% of spend (\$3.41 PMPM) in the category, despite only comprising 12% of utilization.
- Use of HIV preventive therapies increased, representing 15% of total antiviral utilization.
- High utilization (80%) of generics helped contain associated spend in the category.

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## Methodology

The Navitus drug trend is calculated by comparing the net total cost PMPM for 2024 to that of 2023. Net cost PMPM represents full-year (Q1-Q4) data for total member copays and plan paid amounts, minus manufacturer rebates and fees. This value is divided by the total number of members and by 12 months of the year.

Net total cost PMPM trend consists of two components — utilization and cost — and includes both specialty and non-specialty drugs. Utilization trend measures the change in total days of therapy. Cost trend measures the change in net total drug cost per day of therapy. This analysis included data for more than 600 clients, representing 3.4M members within Navitus' commercial book of business, including employer plan sponsors and health plans. To be included, these organizations must have been clients of Navitus in both 2023 and 2024. Exclusions from this analysis include products administered at physicians' offices, clinics and hospitals, products subsidized by the federal government (i.e. COVID-19 vaccines/treatments), products excluded by benefit design (weight loss, infertility) and any additional savings from copay assistance programs.







Thank you for reading the Executive Summary of our  
**9th Annual Drug Trend Report.**

If you'd like to learn even more about what happened in 2024 and where we see the industry heading in the future, use the QR code below to download the full Drug Trend Report.

