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2024
Drug Trend
Report



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Overall Trend Introduction

3.1%

Utilization
Trend

3.8%

Unit Cost
Trend

7.0%

Net Total Cost
PMPM Trend

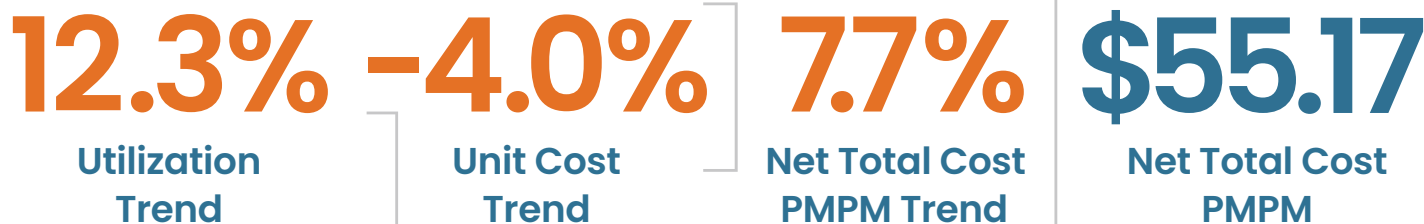
5.9%

Net Total Cost
PMPM Trend
Excluding GLP-1 RAs

In 2024, the Navitus commercial book of business saw a 7.0% increase in net cost per member per month (PMPM). This was due to utilization growth (+3.1%) and increased unit costs (+3.8%). Both specialty and non-specialty categories contributed to trend, with specialty dermatology being the most significant driver in 2024, followed closely by specialty oncology and non-specialty diabetes. The 2024 trend was driven largely by increased utilization of newer, more costly brand drugs, despite the generic dispensing rate remaining very high, at 89%.

Drug Category	Designation	2024 Net Cost PMPM	Utilization Trend	Unit Cost Trend
Targeted Immunomodulators	Specialty	\$21.24	9.2%	-12.8%
Oncology	Specialty	\$10.45	8.6%	4.8%
Diabetes	Non-specialty	\$14.18	5.3%	3.0%
Antivirals	Non-specialty	\$4.29	5.6%	2.8%
Dermatology	Specialty	\$4.58	36.7%	6.6%
Asthma & COPD	Non-specialty	\$2.82	0.2%	7.0%
ADHD & Narcolepsy	Non-specialty	\$2.66	15.0%	-16.3%
Respiratory	Specialty	\$3.03	0.5%	7.5%
Multiple Sclerosis	Specialty	\$2.57	-0.4%	6.3%
Endocrine	Specialty	\$2.39	10.5%	9.8%

Specialty Introduction



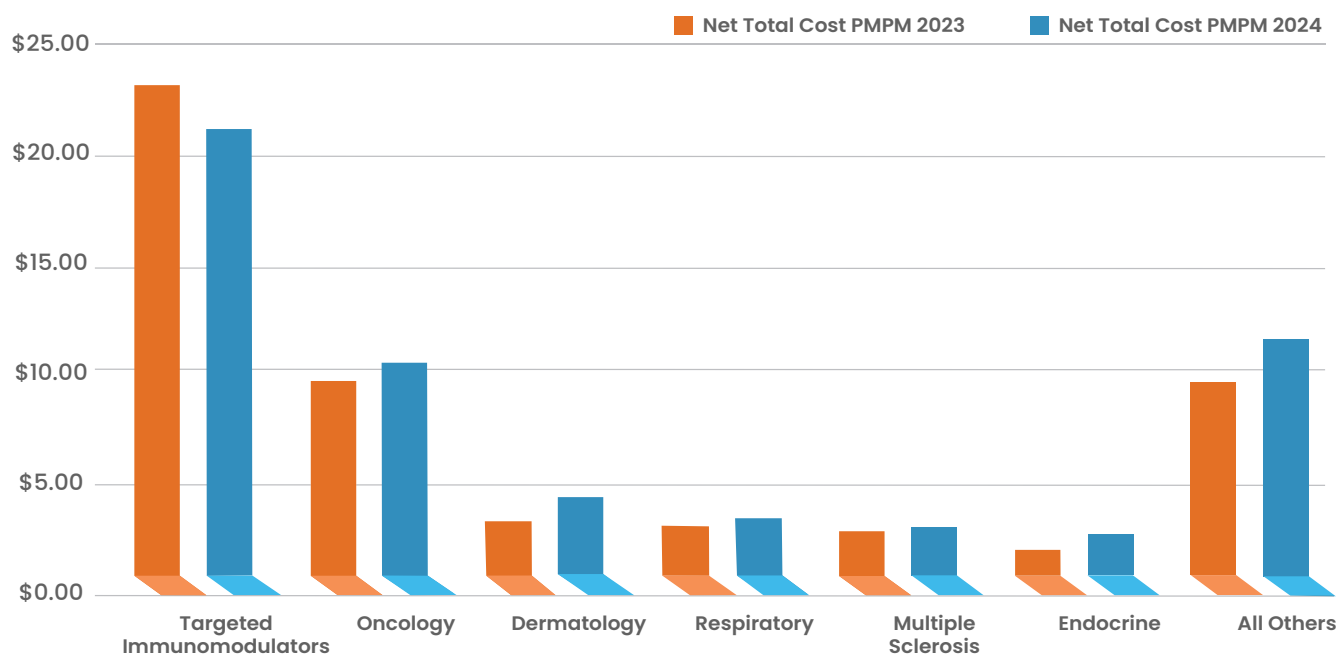
The specialty category consists of medications that are high-cost, complex and require special handling, monitoring or administration. These products can be used to treat an array of different conditions, including cancer, autoimmune disorders and other rare diseases. These products can be very expensive while only treating a small proportion of patients. Specialty medications accounted for less than 2% of utilization but drove 52% of total net spend in 2024.

The specialty space continued to grow, driven by several factors:

- About 75% of recently approved products are specialty medications
- Previously approved products are receiving indication expansions, driving increased utilization
- Treatment guidelines are recommending specialty agents as earlier lines of therapy

These trends contributed to a 12% increase in utilization of specialty agents over the last year, primarily driven by oncology, dermatology and targeted immunomodulators (TIMs). However, specialty unit cost decreased (-4%), driven by the adoption of adalimumab biosimilars (Humira® equivalent).

Top Specialty Categories by PMPM



Targeted Immunomodulators (TIMs)

9.2% Utilization **-12.8%** Unit Cost **-4.8%** Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Change
Skyrizi®	\$4.05	\$2.50	38%
Stelara®	\$3.41	\$3.57	2%
adalimumab*	\$3.27	\$7.41	-3%
Enbrel®	\$2.05	\$2.08	1%
Rinvoq®	\$1.97	\$1.16	50%

*includes Humira and biosimilars

Key takeaways

- Mid-year Humira conversion to biosimilar (adalimumab) led to a 56% reduction in adalimumab net cost from 2023 to 2024.
- Skyrizi spend rose, as dermatology and gastrointestinal (GI) indications drove utilization in the targeted immunomodulators category.
- Stelara remained the second most costly TIMs product; however, biosimilar launches will drive significant savings in 2025.

The TIMs category has long been the main driver of specialty costs, with products to treat a wide range of autoimmune diseases. Medications in this category block the body's attack on itself and improve patient symptoms for many conditions, including rheumatoid arthritis, plaque psoriasis, psoriatic arthritis, Crohn's disease, ulcerative colitis and others.





Adalimumab biosimilars led to an overall cost reduction in the TIMs category

2024 marked the second consecutive year of declining net costs within the TIMs category. Once the highest-grossing drug in America, Humira's biosimilar (adalimumab) competition drove a unit cost decrease of 13% across the TIMs category. This meant that despite overall utilization growth of 9% in the category, net cost decreased by 4%.

Throughout 2023 and 2024, biosimilar launch events decreased Humira's net price by increasing rebates. On June 1, 2024, Navitus removed Humira from formulary in favor of low-cost adalimumab biosimilars. Following that change, 97% of claims (excluding 340B pharmacies) were dispensed as biosimilars. This resulted in the net total cost of adalimumab falling 56%, from \$7.41 PMPM in 2023 to \$3.27 PMPM in 2024. Additionally, gross cost was reduced by 85%, limiting plan reliance on rebates.

Utilization growth in newer products continued to rise

While adalimumab comprised 30% of overall TIMs use, the 9% utilization growth in the category was primarily driven by newer agents commonly used for dermatological (plaque psoriasis, atopic dermatitis) or gastrointestinal diseases (Crohn's disease, ulcerative colitis).

In 2024, Skyrizi (risankizumab) was the second-most utilized product (12%), surpassing Stelara (ustekinumab) (9%) and Enbrel (etanercept) (11%), while remaining behind Humira/adalimumab (30%). It was also the top drug in the category in net spend (\$4.05 PMPM), passing Stelara (\$3.41 PMPM) and Humira/adalimumab (\$3.27 PMPM). Skyrizi's growth (38%) was due in part to its high utilization in plaque psoriasis but also to growth in gastrointestinal indications, including Crohn's disease and ulcerative colitis. These indications also correlate to higher cost, since therapy is dosed every 8 weeks instead of every 12 weeks for psoriasis.

Rinvoq (upadacitinib), an oral agent approved for a wide range of indications, including rheumatoid and psoriatic arthritis, axial spondylarthritis, Crohn's disease, ulcerative colitis and atopic dermatitis, saw utilization increase by 50% in 2024.

Tremfya® (guselkumab), approved for plaque psoriasis and psoriatic arthritis, increased in utilization by 25% in 2024. It was also approved for ulcerative colitis in 2024, although use in that indication was unlikely to impact trend this year.

Taltz® (ixekizumab), approved for plaque psoriasis and psoriatic arthritis, as well axial spondylarthritis, increased in utilization by 8% without any new indication approvals.



Stelara presents the next big opportunity for biosimilar savings

Stelara remained the second-highest net cost medication (\$3.41 PMPM) in this category in 2024. Despite an increase in utilization of 2%, net cost decreased by 4.5%, driven by rebate increases in advance of anticipated biosimilar competition in 2025.

Stelara's growth in recent years has been due to dermatological and gastrointestinal (GI) indications. With FDA-approved dosing of every 8 weeks, Stelara's use in GI indications, Crohn's disease and ulcerative colitis has resulted in higher costs compared to conditions like plaque psoriasis, which require dosing every 12 weeks. Additionally, off-label dosing every 4 weeks has led to even higher costs (\$340,000 gross cost/year). Use of strict quantity limits helped prevent off-label utilization and contained unit costs for this medication.

Looking ahead

In 2025, Stelara biosimilar, ustekinumab, product launches are set to deliver net savings of 85% per claim and significantly drop prices for ustekinumab in 2025 and 2026.

Oncology

8.6%
Utilization

4.8%
Unit Cost

13.8%
Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Change
Verzenio®	\$1.07	\$0.80	28%
Kisqali®	\$0.52	\$0.25	100%
Jakafi®	\$0.50	\$0.46	6%
Tagrisso®	\$0.47	\$0.39	12%
Imbruvica®	\$0.45	\$0.59	-29%

Key takeaways

- With a large range of different products treating multiple cancers, oncology was the second-fastest growing specialty category in 2024.
- Additional indications in breast cancer treatment resulted in growth of brand products.
- Generics, when available, provided significant savings; high utilization of products such as abiraterone, imatinib and capecitabine helped mitigate brand cost increases.

The oncology category consists primarily of oral medications that treat various forms of cancer or prevent cancer recurrence. In 2024, this category had the second-highest increase in specialty cost due to growth in both utilization and unit cost.

Utilization of oncology medications continued to rise

The American Cancer Society estimates there were approximately 2 million new cancer cases in 2024, with 600,000 deaths attributed to cancer.¹ As more patients are living longer with these conditions, increased utilization of cancer-suppressing treatments is to be expected. This is especially true in breast cancer and prostate cancer, the most common cancer diagnoses in women and men, respectively. Today, five-year survival rates for these conditions exceed 90%. Additionally, as more oral agents become approved and expand use into new populations, some treatments are shifting from medical to pharmacy benefits. These factors contributed to a utilization increase of 9% for oncology in 2024.



Products to treat prostate and breast cancers represented nearly 40% of total oncology claims for Navitus in 2024.

Breast cancer treatments led the way in utilization and total cost increases

The industry saw significant growth in medications used for breast cancer in 2024. The primary factor was the highly utilized CDK4/6 inhibitors, including Kisqali (ribociclib), Ibrance® (palbociclib) and Verzenio (abemaciclib). Verzenio and Kisqali have both recently been approved to reduce the risk of recurrence in patients with early breast cancer at high-risk of recurrence. This expanded use to a larger population and contributed to the 20% growth in this class of medications.

Generic prostate cancer treatment offers a more affordable option

For the treatment of prostate cancer, utilization of androgen-blocking products, including abiraterone (Zytiga® equivalent), Erleada® (apalutamide), Nubeqa® (darolutamide) and Xtandi® (enzalutamide), increased by 11% in 2024. Navitus prefers the generic abiraterone (as low as \$200/month) over other branded agents (over \$10,000/month). This makes prostate cancer a more cost-effective class compared to other cancer types, especially those which don't have generic alternatives available yet.

¹ American Cancer Society. Cancer Facts & Figures 2024.

www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/annual-cancer-facts-and-figures/2024/2024-cancer-facts-and-figures-acf.pdf 2024.

	Generic Utilization	2024 Utilization Trend	Average Net Total Cost/Script	Net Total Cost PMPM
Prostate Cancer–Androgen Receptor Inhibitors	70%	10.8%	\$4,400	\$0.72
Breast Cancer CDK4/6 Inhibitors	0%	20.2%	\$13,300	\$2.05

Other cancer treatments also continued to grow, including:

- Jakafi (ruxolitinib), approved for blood and bone marrow cancer as well as graft-vs-host disease in stem cell transplants (5% utilization)
- Tagrisso (osimertinib) for lung cancer (12% utilization)
- Calquence® (acalabrutinib) and Brukinsa® (zanubrutinib) for lymphoma or leukemia (41% utilization combined)
- Pomalyst® (pomalidomide) for multiple myeloma (6% utilization)



Cost disparities

Cost in this class increased, as the average cost of brand products was over \$13,000 per month in 2024. Comparatively, the cost of generic medications, which make up 30% of claims, averaged only \$1,050 per month. Generic oncology agents include a wide range of products from lower-cost, highly available generics (<\$200) to higher-cost, limited-distribution agents (>\$4,000).

Looking ahead

Continued growth in both utilization and cost is expected for this class. Although generic launches are anticipated in the next few years for products like Bosulif® (bosutinib; 2025), Tasigna® (nilotinib; 2025) and Pomalyst® (pomalidomide; 2026), the savings impact is unlikely to offset the cost and utilization growth of other agents on the market or in the pipeline.

Dermatology

36.7%
Utilization

6.6%
Unit Cost

45.7%
Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Change
Dupixent®	\$4.37	\$3.07	34%
All Other Products	\$0.21	\$0.07	160%

Key takeaways

- Dupixent (dupilumab) is the primary product in this category with 96% of utilization; however, utilization of newer brand agents has been growing in recent years.
- We can expect future growth in this category as new products come to market and existing products gain additional indications.
- New indications with higher dosing for Dupixent led to increased unit costs in 2024.

Going beyond skin-deep on dermatologic trends

Specialty dermatologicals — biologic agents that primarily treat conditions such as eczema, alopecia areata or prurigo nodularis — has been one of the fastest-growing categories recently, with Dupixent emerging as the most rapidly growing drug of 2024 across all categories.

Within specialty dermatology, Dupixent accounts for 96% of both cost and utilization, making its rapid growth the primary trend driver. Dupixent is an injectable medication that can be used for a variety of indications far beyond dermatological conditions. Other products in this category include:

- Adbry® (tralokinumab)
- Cibinqo® (abrocitinib)
- Litfulo™ (ritlecitinib)
- Nemluvio® (nemolizumab)
- Ebglyss™ (lebrikizumab)

Although other products continue to grow year-over-year, they have not yet significantly impacted Dupixent's market share. Differences in indications, age requirements and potential safety concerns in certain medications contribute to their varying levels of adoption and utilization.

Dupixent controls market share for these key reasons:

Being the first of its kind to market – There was a significant clinical need for improved treatment options for atopic dermatitis. Dupixent grew rapidly because other available treatments weren't effectively managing symptoms. It offered a different approach that has proven highly safe and effective, making it a trusted agent in this space.

Being approved for an extensive list of indications and having broad age qualifications – After its initial approval, Dupixent received six additional indications and multiple age expansions from the FDA, including: asthma, chronic obstructive pulmonary disease (COPD), eosinophilic esophagitis, prurigo nodularis, chronic rhinosinusitis with nasal polyps and, most recently, chronic spontaneous urticaria.

Each new indication and age expansion increases the pool of eligible patients, which is the primary driver of Dupixent's growth.

Dupixent received initial FDA approval for eosinophilic esophagitis in 2022. This was further expanded to include children as young as one year old in 2024. Higher dosing requirements for eosinophilic esophagitis contributed to an increased unit cost of 6.2%.

Looking ahead

We can expect specialty dermatologicals to remain a growing cost center. Alongside new drugs entering the market, like Nemlurio and Ebglyss, other products, including Dupixent, will continue to add indications, such as bullous pemphigoid and chronic rhinosinusitis without nasal polyps.



Multiple Sclerosis

-0.4%
Utilization

6.3%
Unit Cost

5.9%
Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Change
Kesimpta®	\$0.87	\$0.59	48%
Avonex®	\$0.21	\$0.26	-19%
Zeposia®	\$0.21	\$0.14	44%
Mavenclad®	\$0.21	\$0.12	58%
Rebif®	\$0.20	\$0.22	-14%

Key takeaways

- There was a decrease in utilization across this category; however, growth within specific branded products resulted in an overall increase in cost.
- Despite growth in those branded agents, the majority of utilization is still within generic agents, driving plan savings.

The specialty multiple sclerosis (MS) category consists of products used to slow MS disease progression. In 2024, we saw a slight decrease in utilization (-0.4%), but cost increased nearly 6%. This stems from year-over-year price increases among branded agents along with patients moving away from lower-cost generics in favor of newer, high-cost brand therapies.

Decreased multiple sclerosis utilization

Although rates of multiple sclerosis are rising across the country, we observed a slight decrease in utilization, potentially caused by members switching to medical benefit products like Ocrevus® (ocrelizumab).



Brand growth drives MS cost increases

Despite the general decrease in utilization across this category, significant growth was seen in two products: Kesimpta (ocrelizumab) (49%) and Zeposia (ozanimod) (54%). The increase in use of Kesimpta likely stemmed from it being a highly effective agent to treat multiple sclerosis, in addition to once-monthly dosing compared to other common generic agents which are taken twice daily. Zeposia, although categorized as an MS product, is also indicated for ulcerative colitis and is a newer mechanism of action, both contributing to its growth. These two brand products drove a slight decrease in generic dispensing rate for the category, from 58% in 2023 to 56% in 2024. As a result, overall unit cost increased by 6.3%.

Value of generic dispensing

Although we saw growth in those branded products, the majority of MS dispensing was still within low-cost generics, like dimethyl fumarate (Tecfidera® equivalent), fingolimod (Gilenya® equivalent) and teriflunomide (Aubagio® equivalent). Generics averaged \$780 per 30-day supply, nearly 90% less than brands that averaged \$7,900 per 30-day supply. This price disparity affected not only plan sponsors but members as well, who spent an average of nearly \$300 on brand claims, but only \$30 on generics. Generics represented 56% of MS prescriptions filled and only 11% of category spend, highlighting the value of generic dispensing when clinically appropriate.

Additional Specialty Categories

This section contains specialty categories not previously highlighted, including medications used to treat a wide variety of conditions, such as cystic fibrosis (CF), severe asthma and other rare conditions.

Cystic fibrosis (CF)

Trikafta® (elaxacaftor/tezacaftor/ivacaftor) has been the primary treatment option for patients with CF for the last several years. It accounted for 53% of utilization and nearly 80% of spend within the specialty pulmonology category. In 2024, utilization increased 5.7%, and unit cost was up 5.3% due to manufacturer cost increases. Continued cost increases are expected within CF treatment due to the entry of a new agent, Alyftrek™ (vanzacaftor/tezacaftor/deutivacaftor), that is expected to be about 5% higher cost than Trikafta.

These CF medications, along with improved treatments for respiratory infections and other complications, have increased the life expectancy for CF patients.²

Rare diseases

Jynarque® (tolvaptan), a medication to treat a specific type of kidney disease, saw 25% utilization growth in 2024. With a product cost of approximately \$100,000 a year, a 2025 generic launch could deliver significant savings for plan sponsors.

Specialty asthma

Specialty asthma saw utilization growth of 28% in 2024. This category consists of injectable biologic products, including Xolair® (omalizumab), Nucala® (mepolizumab), Tezspire® (tezepelumab) and Fasenra® (benralizumab). Xolair represented 61% of category utilization due to multiple indications, including severe asthma, food allergies, chronic hives and nasal polyps. Although growth was seen in all asthma agents, Xolair was the primary trend driver within the category.



2. Burgener EB, Cornfield DN. Delivering a New Future for People With Cystic Fibrosis. *Pediatrics*. 2023 Oct 1;152(4):e2023062985. doi: 10.1542/peds.2023-062985. PMID: 37671451; PMCID: PMC10522926.

Non-specialty Introduction

3.0%

Utilization
Trend

3.1%

Unit Cost
Trend

6.3%

Net Total Cost
PMPM Trend

\$50.61

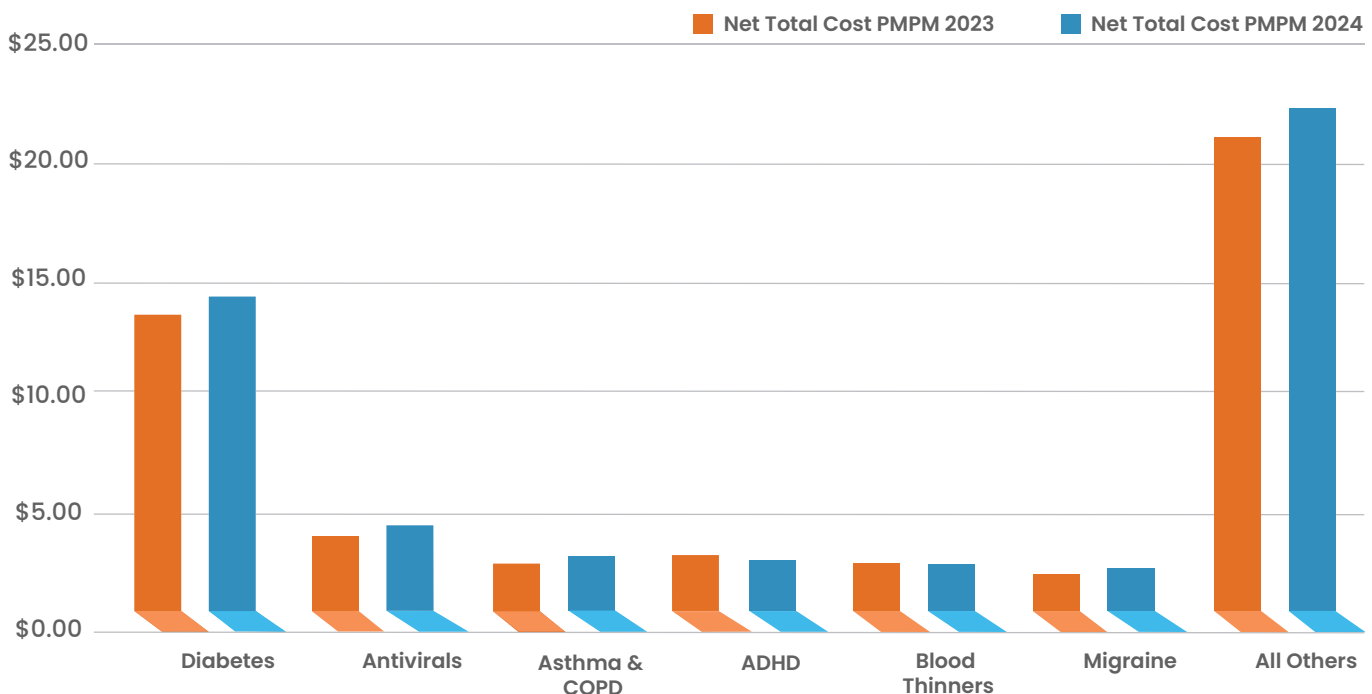
Net Total Cost
PMPM

The non-specialty space includes commonly prescribed medication categories that treat conditions ranging from heart disease and diabetes to migraines and depression. Non-specialty products were used by 72% of our patient population and represented 98% of utilization and 48% of net spend.

Use of higher-cost brand products, like glucagon-like peptide receptor agonists (GLP-1 RAs), to treat diabetes or calcitonin gene-related peptide receptor agonists (CGRP) to treat migraines, drove unit cost increases. Despite brand growth, the non-specialty generic dispensing rate rose slightly (0.5%), from 88.4% to 88.9%, due to the 2023 launch of lisdexamfetamine (Vyvanse® equivalent) and an increase in utilization of largely generic categories. Non-specialty generic cost averaged \$17 for a 30-day supply. In comparison, the average non-specialty brand agent net cost was \$291 per 30-day supply, highlighting how important generic dispensing is in keeping health care affordable.

GLP-1 RAs continued to influence overall trend. The commercial non-specialty drug trend, excluding these agents, would have been 3.5% instead of 6.3%.

Top Non-specialty Categories by PMPM



Diabetes

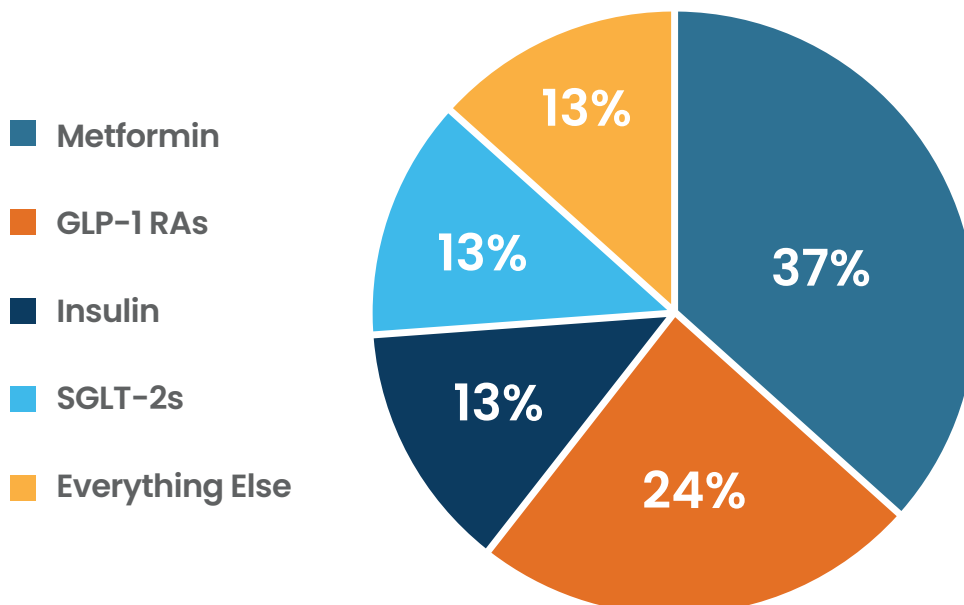
5.3%
Utilization

3.0%
Unit Cost

8.5%
Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Change
Ozempic®	\$5.06	\$3.78	38%
Mounjaro®	\$2.76	\$1.67	78%
Jardiance®	\$1.60	\$1.43	19%
Trulicity™	\$0.94	\$1.52	-33%
Farxiga®	\$0.59	\$0.55	10%

Utilization by Drug Class



Key takeaways

- Notable growth within higher-cost brand products, like GLP-1 RAs and sodium-glucose transport protein 2 inhibitors (SGLT-2s), resulted in increased spend in diabetes treatment.
- The Navitus diagnosis edit helped ensure utilization for appropriate indications, resulting in 30% cost mitigation on GLP-1 RAs.
- Some insulin manufacturers dropped upfront prices of select insulins by up to 78%. This resulted in a net cost reduction of 28.8% across the insulin class.

Diabetes treatment updates

Type 2 diabetes mellitus (T2DM) affects approximately 11% of people in the United States.³ In recent years, newer medications that are effective in treating both diabetes and its associated comorbidities have caused updates in the diabetes treatment algorithm. The cornerstone of T2DM treatment remains low-cost generic metformin, accounting for 36.6% of utilization in the category.

However, guidelines are increasingly favoring newer brand agents like GLP-1 RAs and SGLT-2s, due to their effectiveness in treating both diabetes and linked conditions like cardiovascular or kidney disease, and heart failure. This has resulted in GLP-1 RAs growing 20.3%, and SGLT-2s growing 10.7% in 2024.

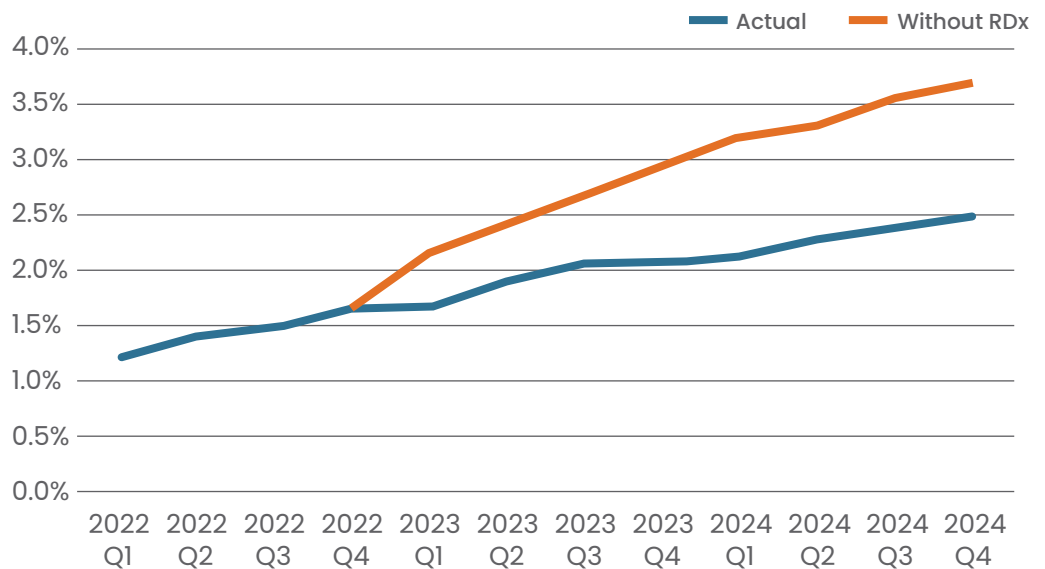


³ Statistics about diabetes. American Diabetes Association.
www.diabetes.org/about-diabetes/statistics/about-diabetes, 2023.

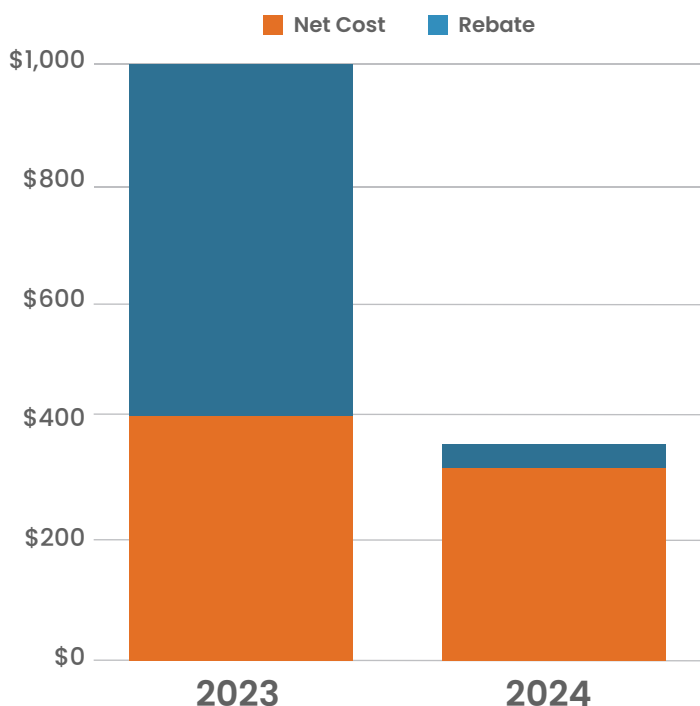
Appropriate utilization management drives cost savings

Utilization management of these higher-cost GLP-1 RA products is important, especially considering their effectiveness in off-label conditions, such as weight management. Navitus manages GLP-1 RA utilization via an automated restricted diagnosis (RDx) edit, which prevented 30% of antidiabetic GLP-1 RA claims, due to the patient not having an appropriate diagnosis. This delivered nearly \$3.00 PMPM savings in 2024.

Percent of Population Utilizing Antidiabetic GLP-1 RAs



Insulin Cost per Month



Insulin price changes

Within the insulin class, several manufacturers announced gross price cuts of up to 78% on select insulin products, beginning in 2024. This resulted in a net cost reduction of 28.8% across the drug class and reduced rebates by 48%.

Migraine

11.3%
Utilization

13.4%
Unit Cost

26.3%
Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Change
Ubrelyv®	\$0.67	\$0.46	46%
Nurtec®	\$0.36	\$0.31	10%
Emgality®	\$0.33	\$0.31	12%
Ajovy®	\$0.24	\$0.18	40%
Aimovig®	\$0.20	\$0.22	-1%

Key takeaways

- Triptans remain the mainstay of migraine treatment, representing 65% of claims in the category.
- Use of brand name CGRP inhibitors grew in 2024, since they are better tolerated than other available options. The class has agents that can both treat and prevent migraines.

The migraine category includes both symptomatic and preventative therapies. Historically, it consisted primarily of triptan products, which were only used to treat migraines once they had begun. Migraine prevention relied on medications intended to treat other conditions, like high blood pressure, depression or seizures. However, the 2019 launch of the first preventive medication targeting CGRP significantly changed the migraine landscape. Over the past five years, the category has evolved from being dominated by lower-cost generic triptans toward a more brand-led space as CGRP utilization has grown. This mix change has resulted in a decrease in generic dispensing rate, from 94% in 2019 to 65% in 2024.

Migraine treatment

Triptans remain the mainstay of migraine treatment, representing 65% of claims in the category. However, the top two products by spend in this category are the branded CGRP agents, Ubrely (ubrogepant) and Nurtec (rimegepant). These products continued to see increased utilization, as they offer alternative treatment options for patients who have safety or tolerability concerns with triptans. Ubrely and Nurtec cost almost \$1,000/fill for migraine treatment, which was in stark contrast to a triptan, which cost only \$20/fill. As more patients adopt these newer agents, costs will continue to rise, due to this significant price disparity.

Migraine prevention

While Ubrely and Nurtec are similar in cost for treating a migraine, Nurtec can also be used to prevent migraines at almost triple the price of alternative CGRP preventives. Navitus does not cover Nurtec and instead directs members to more cost-effective options, like Aimovig (erenumab), Emgality (galcanezumab) or Ajovy (framenezumab), within the CGRP class. Despite low utilization (3.8% of the category), Nurtec was still the second-highest spend product in the category due to its high cost.

Although migraine treatments were the highest spend products in the category, CGRP preventives, like Ajovy, Aimovig, and Emgality are still a significant component of the growing costs. Preventive CGRPs had an average net cost of about \$300/month, compared to \$10 off-label generic products historically used by patients. This cost difference resulted in migraine medication being a major spend driver within the non-specialty category, with unit costs increasing more than 10% year-over-year.



Attention-deficit/Hyperactivity Disorder (ADHD)

15%
Utilization

-16.3%
Unit Cost

-3.8%
Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Trend
Vyvanse/lisdexamfetamine	\$1.33	\$1.51	-5%
amphetamine/ dextroamphetamine	\$0.48	\$0.39	26%
methylphenidate	\$0.34	\$0.32	19%
dexmethylphenidate	\$0.07	\$0.08	-8%
atomoxetine	\$0.05	\$0.04	36%

Key takeaways:

- ADHD as a category had a 94.4% generic dispensing rate in 2024.
- Generic Vyvanse (lisdexamfetamine) launched in August 2023, resulting in a 16.3% unit cost reduction across the category in 2024.
- Category utilization increased due to improved disease state awareness and medication accessibility via telehealth providers.

ADHD spend is down, while utilization is up

The ADHD category ranked fourth-highest in the non-specialty category, with 5.5% of the Navitus commercial population utilizing an ADHD product. Spend decreased 3.8% in 2024 compared to 2023, despite a 15% increase in utilization. This was driven by the 2023 launch of generic Vyvanse (lisdexamfetamine).

Vyvanse generic

Although the generic launch occurred in August 2023, shortages across the category reduced competition and prevented significant price erosion in the first several months after launch. By the end of 2024, the lisdexamfetamine cost was still higher than typically expected for a generic product available for well over a year. Therefore, although the category had a nearly 95% generic dispensing rate in 2024, it remained a top five category in non-specialty spend. As the lisdexamfetamine price continues to decline, ADHD is expected to fall out of the top spend categories and become more affordable for clients and members.

Improved awareness leads to increased utilization

The utilization growth across the category can be attributed to a general increase of awareness and recognition of mental health conditions, stemming originally from a combination of COVID lockdowns and social media exposure. Although increased awareness of mental health conditions is extremely important in reducing stigma and promoting appropriate treatment, content on social media is often created by non-clinicians and may contain misleading information.

Along with increased awareness, telehealth providers specifically targeting mental health conditions have made diagnosis much easier and more convenient for patients. These two factors have significantly contributed to the increase in ADHD diagnoses and, subsequently, ADHD product utilization.

Drug Breakdown

2024 Navitus ADHD utilization by drug:

Top Medications	% Utilization of Category
amphetamine/dextroamphetamine	44%
methylphenidate	17%
lisdexamfetamine	12%
guanfacine	6%
atomoxetine	5%

The remaining utilization is primarily in less-common generic products, non-ADHD narcolepsy products and a very small amount in some newer niche brands (0.3%). These products, such as Quillivant® (methylphenidate solution) or Jornay PM® (methylphenidate), contain a generically available active ingredient but are unique formulations, such as suspensions or extra-long release products. Although these products can be useful in specific populations, particularly young children, they may not provide additional clinical value for most patients and are far more costly (\$400) than their generic alternatives (\$50 or less). Tight formulary management by Navitus facilitates a high generic dispensing rate and plan savings.

Antivirals

5.5%
Utilization

2.5%
Unit Cost

8.1%
Net Total Cost

Top Medications	2024 Net Cost PMPM	2023 Net Cost PMPM	Utilization Change
Biktarvy®	\$1.74	\$1.53	11%
Descovy®	\$0.52	\$0.47	9%
Genvoya®	\$0.30	\$0.33	-13%
Triumeq®	\$0.25	\$0.25	-5%
Dovato®	\$0.24	\$0.19	24%

Key takeaways:

- Brand medications used for the prevention and treatment of HIV (including Biktarvy, Descovy, Genvoya, Triumeq and Dovato) continued to be the main drivers of increased costs.
- Generic utilization remained high in this category (87%), attributed to the use of products for treatment of the herpesviruses (valacyclovir and acyclovir), prevention of HIV (emtricitabine/tenofovir disoproxil) and treatment of influenza (oseltamivir).
- Paxlovid, excluded from this report due to methodology, has introduced a significant new cost area without utilization change due to price changes.

The antiviral category represents a variety of medication classes used to treat or prevent various infections, including human immunodeficiency virus (HIV), herpesviruses and influenza. Most of the utilization in this category (67%) was for treatment of herpesviruses. However, 90% of the cost was from products for treatment or prevention of HIV.

Category	2024 Net Cost PMPM	% of Category Utilization	Net Cost/ 30-day Supply
Herpes Agents	\$0.13	67%	\$20
HIV Prevention	\$0.55	15%	\$400
HIV Treatment	\$3.31	12%	\$3,100
Influenza Treatment	\$0.03	2%	\$148
Other	\$0.23	4%	\$605

Antivirals for HIV saw increased usage and higher prices

Medications for the treatment of HIV accounted for the majority of spend in this category, with a net PMPM cost of \$3.31, a 6% increase from last year. Overall utilization increased by 2%, with most of that growth occurring in Biktarvy (bictegravir/emtricitabine/tenofovir alafenamide), which increased in utilization by 11% and represented over 45% of utilization in this class in 2024. A 24% utilization increase was also seen with Dovato (dolutegravir/lamivudine), another single-tablet treatment recommended in the guidelines for initial regimens for most people with HIV. Agents that are no longer recommended as initial regimens for most people, such as Genvoya (elvitegravir/cobicistat/emtricitabine/tenofovir alafenamide) and Triumeq (abacavir/dolutegravir/lamivudine), continued to see utilization declines, 15% and 3% respectively. With branded agents heavily favored in treatment guidelines and competition limited by regulations, unit cost increased 5% due to annual price increases on the existing brand products.

Managing the overall trend for HIV prevention through generic utilization

HIV prevention medications represented the second-highest spend in the antiviral category at \$0.55 PMPM. This was a 9.4% increase in net total cost from 2023, driven by a 14% increase in utilization. Navitus formularies preferred generic emtricitabine/tenofovir disoproxil (Truvada equivalent) over the brand Descovy (emtricitabine/tenofovir alafenamide), resulting in 81% of patients using generic options. This delivered unit cost savings of 4.2%, as generic prices continued to decline.

HIV PrEP Medications	Net Cost PMPM	% of PrEP Utilization	Net Cost/ 30-day Supply
emtricitabine/tenofovir disoproxil	\$0.03	81%	\$30
Descovy	\$0.52	19%	\$2,050



Looking ahead

- Government regulations limiting a plan's ability to prefer emtricitabine/tenofovir disoproxil could cause more patients to shift to branded agents, increasing the overall cost of care for the HIV prevention population.
- More people living longer with HIV will likely lead to increased utilization of treatment medications.

Treatment of herpesviruses and influenza increased in 2024

Utilization increases in other generic antivirals were seen in 2024, without significant impact on drug trend due to low prices (<\$25 per prescription). Agents for the treatment of herpesviruses (herpes simplex and varicella-zoster), valacyclovir (Valtrex® equivalent) and acyclovir (Zovirax® equivalent) saw a combined 3% increase in use, while the influenza treatment oseltamivir (Tamiflu® equivalent) increased by 60%, due to an uptick of influenza cases in late 2024. These three agents, which make up almost 70% of utilization in the category, account for only \$0.15 PMPM or 3.5% of total antiviral spend.

Paxlovid cost shifting from government to payers

Because of government subsidization of Paxlovid™ (nirmatrelvir/ritonavir), which is used for the treatment of COVID-19, it was excluded from drug trend report metrics in 2023 and 2024. While seasonal utilization patterns shifted due to timing of COVID-19 spikes, overall utilization remained roughly the same between the two years.

The significant price shift following the end of government pricing and subsidization led to major price increases to payers on this medication. In early 2023, plan cost per claim was approximately \$10, and member cost was \$0. In contrast, when fully commercialized, Paxlovid costs per claim were approximately \$1,175 for plans and \$125 for members.

Additional Non-specialty Categories

Category	Generic Utilization	2024 Net Cost PMPM	Utilization Change	% of Members Using
Depression	99.2%	\$1.83	4%	18%
Penicillins	99.5%	\$0.18	-3%	17%
Dermatology	98.0%	\$1.36	9%	15%
Blood Pressure	99.9%	\$0.75	1%	12%
Cholesterol	97.4%	\$1.13	3%	12%
Analgesics / Anti-inflammatories	99.8%	\$0.24	1%	11%
Corticosteroids	99.3%	\$0.15	1%	11%

Highly utilized generic categories continued to grow

The top seven categories, based on the percentage of members utilizing them, had generic dispensing rates over 97%. Because of this, even though these classes increased in utilization, the growth resulted in limited cost increases.

Utilization growth of continuous glucose monitors

Growth in continuous glucose monitors (CGMs) and wearable insulin pumps continued, as these products are effective in managing blood sugar in patients with diabetes and helping to prevent long-term complications. Utilization of these products within the pharmacy benefit grew 17% in 2024. We can expect continued use in the coming years, especially as clinical guidelines expand the role of CGMs in diabetes treatment.

Entresto generic launch could bring savings

Another growing non-specialty product is Entresto® (sacubitril/valsartan), used to treat patients with heart failure. Entresto saw substantial growth in recent years, nearly 20% in 2024. Looking forward, Entresto is expected to have generic competition starting in mid-2025, offering savings within the non-specialty group of medications.

Thank you for reading our **9th Annual Drug Trend Report**.

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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.

