

Top Drug Trends to Watch



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Overall Drug Plan Trend

Canada Life Drug Benefit spend (figures per member):

2021: \$1,233

2022: \$1,268

2023: \$1,342

Top 10 Drugs Canada Life Block

2023 Rank	Drug Name	2023 % of Total Amt Covered	2022 Rank	2022 % of Total Amt Covered	2021 Rank	2021 % of Total Amt Covered
1	Ozempic	7.8%	1	4.5%	3	2.5%
2	Vyvanse	2.1%	5	1.7%	6	1.3%
3	Remicade	1.7%	3	2.4%	2	3.2%
4	Stelara	1.7%	4	1.8%	4	1.8%
5	Trikafta	1.5%	13	0.8%	N/A	0.0%
6	Freestyle	1.5%	6	1.5%	5	1.5%
7	Humira	1.4%	2	2.4%	1	3.5%
8	Jardiance	1.3%	7	1.3%	7	1.2%
9	Concerta	1.2%	8	1.2%	10	1.0%
10	Symbicort	1.1%	9	1.2%	9	1.0%
Top 10 Total		21.4%		18.7%		17.1%

Top 10 Drugs

Canada Life Block

- Ozempic is once again our #1 most costly drug, as it has continued to grow in popularity since entering the Canadian market
- Vyvanse usage continued to grow—Now #2 most costly drug
 - Growing awareness through social media about attention—
Deficit/hyperactivity disorder (ADHD) has led to increased demand
- Humira and Remicade have continued to represent a smaller percentage of total amount covered in recent years, as more provinces have implemented a biosimilar switching program

Growing Use of Biosimilars

- Treatment naïve vs. Patients established on reference brand biologic drug and need for biosimilar **“switching”**
- List price differences between biosimilar and reference product typically 30%-50%
- Some plans moving to preferred biosimilar listings with additional discounts

Growing Use of Biosimilars

- All provincial plans except MB have been mandated to switch to biosimilars or lose coverage
- BC, the first to move down this path, published that exceptions to the switch have been < 1%
- Provincial plan experience has driven a much greater level of adoption of biosimilar switching among private plans

Impact of National Pharmacare

- Feb 2024 Bill C-64 *An Act Respecting Pharmacare*
- Intent to work with provinces and territories to provide universal, single-payer coverage for select contraceptive and diabetes therapies
- Early assessment of impact on self-insured plan experiences finds it would impact approx. 4%-6% of current plan costs

Impact of National Pharmacare

- AB and QC have both publicly signaled they will not participate
- Other provinces such as ON and SK have stayed neutral (but notably uncommitted), pending further details and discussion

Impact of National Pharmacare

- Legislation lays the groundwork for a national, single-payer pharmacare program that would cover a broader array of medications
- Provides that the new Canadian Drug Agency:
 - Work toward developing a national formulary and a national bulk purchasing strategy
 - Support a pan-Canadian strategy regarding appropriate use of prescription medications

Current Private Drug Plan Coverage

Number of unique drugs covered by public and private plans from 2018 to 2021

Province*	Drugs covered by public plans	Drugs covered by private plans	Number of people with a private plan (2020)**
Newfoundland and Labrador	5,101	7,384	342,000
Nova Scotia	6,525	7,777	676,700
New Brunswick	5,850	8,039	499,400
Quebec	8,333	13,303	5,991,100
Ontario	6,748	13,220	9,448,400
Manitoba	6,534	7,864	768,900
Saskatchewan	4,833	7,146	715,900
Alberta	4,465	8,994	2,767,900
British Columbia	6,565	8,802	3,258,600
Canada			24,592,800

* The data for Prince Edward Island are incomplete. ** The figures are rounded.

Source: The Conference Board of Canada, "Understanding the Gap 2.0: A Pan-Canadian Analysis of Prescription Drug Insurance Coverage," July 13, 2022, Appendix F.

GLP-1 Explosion

Ozempic + Rybelsus + Mounjaro:

2021: 2.4% of total drug plan spending

2022: 4.1%

2023: 5.4%

Source: Cubic Health Canadian Drug Database

Off-Label Use of Semaglutide

Case study of 60,000 employee lives:

- 49% of all individuals using semaglutide in 2023 were using it off-label for weight management
- 37.5% were using it off-label in 2022
- Over 98% driven by Ozempic

Off-Label Use of Semaglutide

Case study of 45,000 employee lives:

- 43% of all individuals using semaglutide in 2023 were using it off-label for weight management
- Over 95% driven by Ozempic

Wegovy vs. Ozempic

- Same active ingredient (semaglutide)
- **Ozempic** indicated for **Type 2 diabetes only**
- **Wegovy** currently indicated for **weight loss only**
- Wegovy initially approved by Health Canada in November 2021 but not made available on Canadian market until early Q2 2024

Wegovy

- **Current Canadian indication:** BMI of 27+ and 1 or more weight-related comorbidities (*e.g.*, high blood pressure, high cholesterol, sleep apnea, etc.) or a BMI of 30+ alone
- **Potential target population:** Two-thirds of adult population is overweight or obese

Wegovy: A Cardiovascular Drug?

- There are now efforts to reclassify Wegovy as a **cardiovascular medication**, based on findings from SELECT trial
- Attempting to secure an indication in Canada for use in patients with BMI of 27+ with previous heart attack, stroke or peripheral artery disease (PAD)

Wegovy: Just the Beginning

GLP-1 RA WEIGHT MANAGEMENT DRUG PIPELINE[®]

	Pipeline Drug Name	Mechanism of Action	Stage	Clinical Pearl
2024	NN9932 Generic: Semaglutide	GLP-1 agonist	Phase III	<ul style="list-style-type: none"> • Oral • Mean BW at 68 weeks: -15.1% • Less patients reached BW reduction of ≥10% than in the tirzepatide trial
	CagriSema Generic: Cagrilintide; Semaglutide	GLP-1 agonist, Amylin analog	Phase III	<ul style="list-style-type: none"> • Mean BW at 32 weeks: -15.6% • REDEFINE clinical trial ongoing
2026	LY3502970 Generic: Orforglipron	GLP-1 agonist	Phase III	<ul style="list-style-type: none"> • Oral • Mean BW at 36 weeks: -13.5% (36 mg) and -14.7% (45 mg) • Ongoing clinical trials
2027	LY3437943 Generic: Retatrutide	GLP-1 agonist, GIP agonist, Glucagon agonist	Phase III	<ul style="list-style-type: none"> • Once weekly • Mean BW at 48 weeks: -22.8% (8 mg), -24.2% (12 mg) • Over 90% of patients achieved BW reduction of ≥10% • Ongoing clinical trials
2027+	CT-868	GLP-1 modulator, GIP modulator	Phase II	<ul style="list-style-type: none"> • In clinical studies for type II and I diabetes as well
	ALT-801 Generic: Pemvidutide [®]	GLP-1 agonist, Glucagon agonist	Phase II	<ul style="list-style-type: none"> • Also being studied for non-alcoholic steatohepatitis (NASH) • Weekly dosing • MOMENTUM 48-week clinical trial (Phase II) is reviewing changes in lipids, blood pressure, and heart rate with results expected in 4Q 2023
	BI 456906 Generic: Survodutide [™]	GLP-1 agonist, Glucagon agonist	Phase II	<ul style="list-style-type: none"> • Also being studied for non-alcoholic steatohepatitis (NASH) • Pending start of three Phase III global studies

Global Obesity Drug Spending

- \$3.2B USD in 2020
- Grew to \$24B USD in 2023
- Forecasted by IQVIA to reach close to \$80B USD by 2028

Quiet Emergence of ADHD

- ADHD therapies made up 4% of drug plan spending in 2021
- That has grown by 18% in 2023, even with the substantial growth of GLP-1s

Medical Cannabis: 6 Years Later

- Evidence to support medical cannabis as a safe and effective therapy hasn't evolved in recent years
- Demand for medical cannabis coverage is low
- Most claims managed through a healthcare spending account (HCSA) outside of the drug plan

Vaccines and NACI

- National Advisory Committee on Immunization (NACI) makes recommendations for vaccines newly approved for human use
- Issue has emerged with new respiratory syncytial virus (RSV) vaccines: Arexvy and Abrysvo
 - No NACI recommendations for either available
- Impacts public funding; can shift cost to private plans

Drug Pricing

- Patented Medicine Prices Review Board (PMPRB) established in 1987; mandate to protect Canadians from excessive prices for patented medicines
- Over the years, regulations became outdated, resulting in Canadians paying more than almost every other country in the world
- Government announced drug price reforms expected to save Canadian billions

Drug Pricing

- Biggest change was move from 7 reference countries to 11 comparators
 - Now include Spain, Japan, Belgium, Norway, Netherlands and Australia
 - No longer include U.S. and Switzerland
- Supposed to come into effect July 1, 2022, but still not implemented

Drug Pipeline

57 drugs under review by Health Canada:

- 8 cancer therapies
- 11 orphan drugs for rare diseases
- 7 specialty drugs (non-cancer)
- 19 biosimilars
- 5 COVID-related vaccines and treatments

New Therapies

DRUG	INDICATION	ESTIMATED COST	STATUS
Arexvy	RSV	\$270	Marketed
Inclisiran	Elevated Cholesterol	\$5,679-\$8,518	Marketed
Mavacamten	Obstructive Hypertrophic Cardiomyopathy	\$22,484	Marketed
Tirzepatide	Type 2 Diabetes	\$3,500-\$5,000	Marketed
Atogepant	Migraine	\$6,735	Marketed
Clascoterone	Acne	\$1,600-\$6,000	Marketed
Estradiol, Norethindone Acetate, Relugolix	Menstrual Bleeding/ Endometriosis	\$3,300	Marketed
Teclistamab	Multiple Myeloma	\$353,176	Marketed
Metreleptin	Generalized Lipodystrophy	\$293,000-\$1,139,000	Approved

Near-Term Drug Pipeline

DRUG	INDICATION	ESTIMATED COST	STATUS
Lecanemab	Alzheimer's Disease	\$26,500 USD	Under review
Donanemab	Alzheimer's Disease	\$27,000 USD	Under review
Zuranolone	Postpartum Depression	\$15,900 USD	FDA approved
Resmetirom	Nonalcoholic Fatty Liver Disease (MASH)	\$47,400 USD	FDA approved
Semaglutide	Cardiovascular Disease	\$5,000	New indication under review
Fezolinetant	Hot flashes	\$6,600 USD	Under review
Vorasidenib	Glioma	Unknown	Under review
Leniolisib	APDS	\$547,500 USD	Under review

New Generics and Biosimilars

- Major new generics include Xarelto, Forxiga, Dexilant and Spiriva
- Key upcoming launches: Vyvanse and Jardiance
- Key upcoming biosimilars: Stelara, Xolair, Actemra

Key Takeaways

- National pharmacare: More questions than answers as of today
- Wegovy is only the tip of the iceberg in emerging class of obesity/ cardiovascular medications
- Drug pipeline continues to be robust and driven by specialty products
- Drug pricing remains a black box

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