Impact of Various Utilization Management on Per-Member Per-Month Spending for Glucagon-Like Peptide-1 Receptor Agonists (GLP-1 RAs)

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Background

- The use of GLP-1 RAs for diabetes & weight management has greatly increased plan spending, with reports showing up to a 500% increase from 2019 to 2023.[1]
- Many plans exclude drugs for weight management, but GLP-1 RAs are also used for their labeled indication in treating type 2 diabetes mellitus (T2DM), complicating benefit design.[2]
- Various utilization management (UM) strategies, including exclusion, quantity limits (QL), step therapy (ST), diagnosis code input (Dx), & prior authorization (PA), can help balance appropriate use while minimizing disruption to patient care.

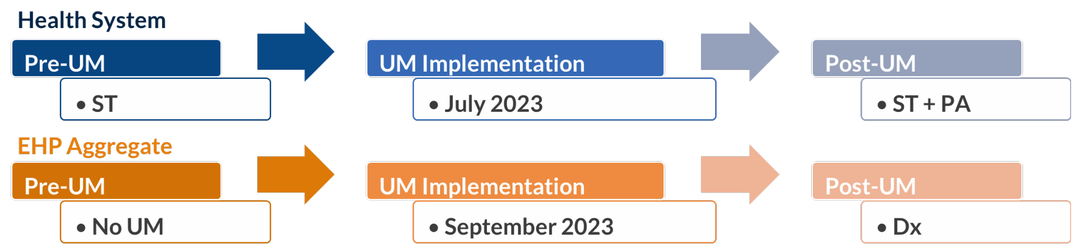
Objective

- To analyze the impact of implementing various utilization management strategies to ensure the appropriate use of GLP-1 RAs on utilization & plan spending.

Methods

- Retrospective analysis using pharmacy claims data for GLP-1 RAs from various employer health plans (EHPs) pre- & post-UM implementation.
- Large health system: Initially managed GLP-1 RAs for T2DM with metformin ST, then added PA.
- EHP aggregate: Initially no UM, then introduced Dx.
- Data comparison: Three months pre- & six months post-UM; focusing on 30-Day Rx/100 Member Per Month (MPM) & ingredient cost PMPM.
- Plan spend impact: Compared average post-UM 30-Day Rx/100 MPM & ingredient cost PMPM to baseline for each plan.

Figure 1. Timeline of health system & EHP aggregate



Results

Figure 2. Health system trends in monthly GLP-1 RA 30-day prescription utilization per 100 members per month & Ingredient Cost PMPM

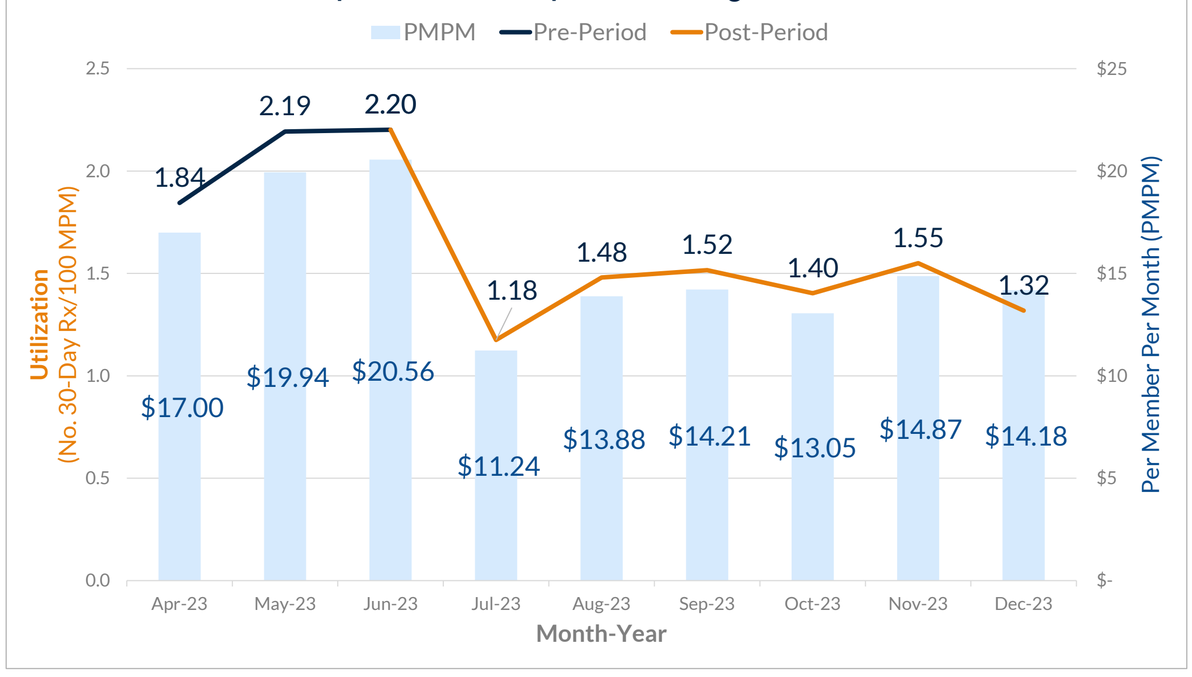


Figure 3. Employer health plan aggregate trends in monthly GLP-1 RA 30-day prescription utilization per 100 members per month & Ingredient Cost PMPM

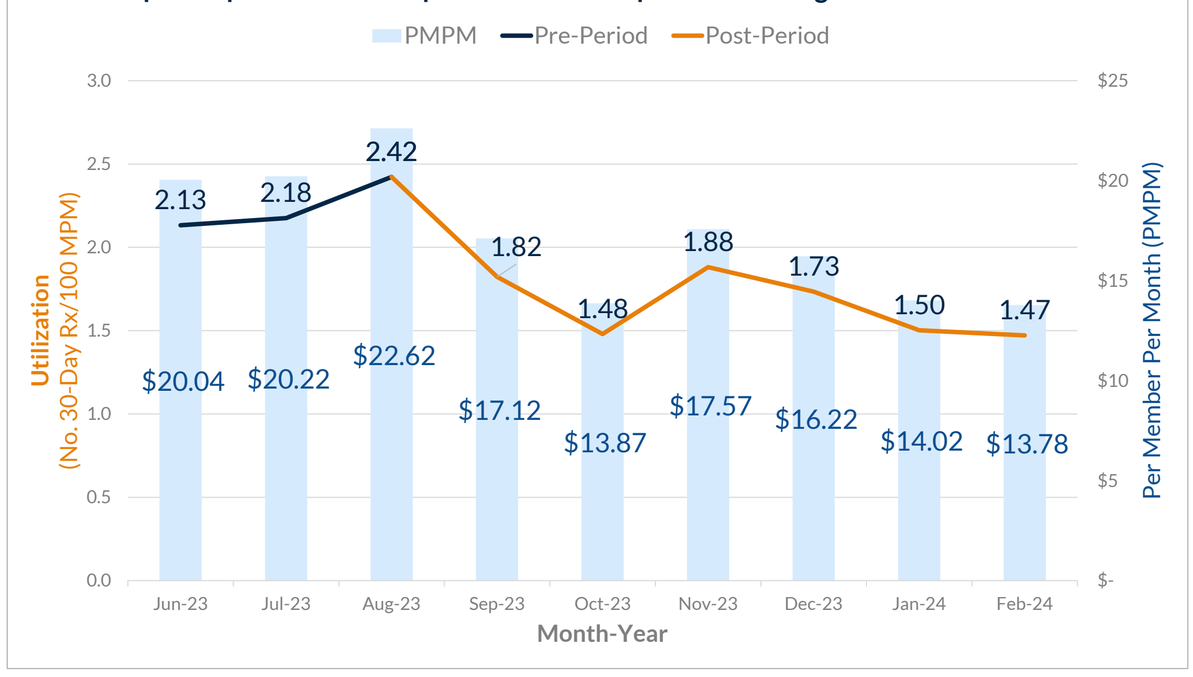


Table 1. Impact of Utilization Management on GLP-1 RA Utilization & Cost

Group	Pre-UM (30-Day Rx/100 MPM)	Post-UM (30-Day Rx/100 MPM)	% Change in 30-Day Rx	Pre-UM ($ PMPM)	Post-UM ($ PMPM)	% Change in PMPM
Health System	2.08	1.40	**-32.5%**	$19.16	$13.57	**-29.2%**
EHP Aggregate	2.24	1.63	**-27.1%**	$20.96	$15.43	**-26.4%**

Conclusion

- Clinical utilization management strategies, such as prior authorizations, may result in greater reductions in GLP-1 RA plan spend compared to alternative methods, such as diagnosis code inputs.
- Targeted utilization management can effectively control rising plan expenditures while ensuring appropriate GLP-1 RAs use for T2DM.

Limitations

- Data is specific to a health system & EHP aggregate.
- Effects of individual UM strategies were not isolated & subject to external factors, such as patient behavior, provider practices, & drug pricing.
- Six-month follow-up period may not fully capture long-term trends in utilization.

References

1. Williams E, Rudowitz R, Bell C, Medicaid Coverage of & Spending on GLP-1s, (KFF, November 4, 2024) https://www.kff.org/medicaid/issue-brief/medicaid-coverage-of-and-spending-on-glp-1s/#:~:text=The%20number%20of%20Medicaid%20prescriptions,though%20the%20shares%20are%20growing. (March 18, 2025).

2. Rothberg AE, Ard JD, Gudzune KA, Herman WH. Obesity Management for the Treatment of Type 2 Diabetes. In: Lawrence JM, Casagrande SS, Herman WH, Wexler DJ, Cefalu WT, eds. Diabetes in America. Bethesda (MD): National Institute of Diabetes & Digestive & Kidney Diseases (NIDDK); May 1, 2024.