

The purpose of this article is to help guide prescribers in finding cost-effective therapies based on the available formularies for the SOMOS Medicaid program.

What Is The Cost of Diabetes To Payers and Patients?

There are approximately 30 million people diagnosed with diabetes in the US. People with diabetes incur average medical expenditures of \$16,752 per year, of which about \$9,601 is attributed to diabetes. This is 2.3 times higher than expenditures in the absence of diabetes.

Due to recent updates in clinical guidelines and changes in standard practice there has been an increase in the number of antidiabetic medications prescribed. A significant update in the American Diabetes Association (ADA) guideline was the change in recommendation of first-line therapy to include consideration of other agents (e.g. glucagon like peptide 1 receptor agonists or GLP1RA, sodium–glucose cotransporter 2 inhibitors or SGLT2i) with or without metformin. Several clinical and pharmaco-economic studies have demonstrated the clinical and economic value of early adoption of SGLT2 inhibitors & GLP1 Receptor Agonists. In 2022, ADA recommended the use of these alternatives as first line therapy given the robust outcomes demonstrated in multiple randomized controlled trials reporting statistically significant reductions in cardiovascular events. Based on the 2022 update, we expect gradual increases in pharmaceutical spend related to increased utilization of SGLT2 inhibitors and GLP-1 RAs in accordance with guideline directed medical therapy (GDMT). For instance, GLP-1 RA drug expenditure has increased from \$13.5 million in 2019 to \$227 million in 2021. It is important to note that the medical cost savings associated with use of these agents in patients with diabetes have demonstrated significant offsets in the medication related costs. The offset in medical expenses offered by GDMT must be taken into account when evaluating the total healthcare costs for patients with diabetes.

What Is The Importance Of Antidiabetic Drug Costs In Medicaid?

- 67.3% of the cost for diabetes care in the U.S. is provided by government insurance.
- Adults with diabetes enrolled in Medicaid have higher drug utilization.
- Medicaid drug pricing rules have led to better control of pharmaceutical costs.
- The ADA has recognized that the costs of diabetes medications have increased dramatically, and that an increasing proportion of these costs are passed on to patients and their families.

The recent surge in the number of prescriptions for antidiabetic therapeutic agents presents a unique opportunity for insurance plans and pharmacy benefit managers in the effective management of drug utilization.

Compliance with formularies represents a challenge because physicians manage patients from multiple insurance plans, and each plan furnishes their own unique formulary (See example of differences in antidiabetic drug alternatives between three (3) SOMOS MCO formularies in Tables A-C). As a provider, knowing the

differences between formularies can help optimize primary care provider (PCP) performance metrics aimed at improving quality at the lowest net cost to the payer.

Recommendations for Increasing Access to Cost effective Therapies on Formulary

Staying up-to-date with current formulary offerings can help improve access to cost effective medication therapy. At the point of sale, pharmacists play an important role in providing prescribers with the on-formulary, preferred alternative. However, if prescribers are not aware of the preferred alternative, this may cause delays in the dispensing process, which may be frustrating. Initiatives aimed at improving knowledge about cost effective, formulary alternatives may help mitigate barriers to affordable care access. These may include development of quick desk references to simplify prescribing, educational programs for clinicians, and immediate access to preferred drug list (PDLs) or drug formularies.

How To Identify Specific Antidiabetic Drugs Included in a Patient’s Plan Formulary.

- Have an accessible copy of the formulary for the different insurance plans or managed care organizations (MCOs). This shall aid in identifying not only the drugs that are included in the MCO’s formulary, but also which of these drugs require a Drug Management Tool (e.g. PA or ST).
- Keep up with the clinical guidelines and prescribing drug information.
- Create your own preferred drug list or “P-drug” list based on formulary availability. P-drugs are the drugs you have chosen to prescribe regularly, and with which you have become familiar.
- Stay alert regarding communications about P&T committee decisions and changes to formularies.
- Stay updated with SOMOS newsletters and in-service training to get the information needed to provide a high standard of care.

Tables A-C: Example of differences between antidiabetic product availability for SOMOs Medicaid program under three different MCOs

Table A.

Emblem			
Antidiabetics			
SGLT2	DMT	GLP-1	DMT
Jardiance	ST; QL	Bydureon -BCISE	PA; QL
Steglatro	ST; QL		

Table B.

Empire Anthem			
Antidiabetics			
SGLT2	DMT	GLP-1	DMT
Jardiance	PA; QL	Ozempic	PA; QL

		Trulicity	PA; QL
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Table C.

Health First			
Antidiabetics			
SGLT2	DMT	GLP-1	DMT
Jardiance	PA; QL	Trulicity	ST, QL
Steglatro	ST; QL	Ozempic	ST, QL
		Rybelsus	ST, QL

SGLT2: sodium–glucose cotransporter 2 inhibitors

GLP-1: glucagon like peptide 1 receptor agonists

DMT: Drug management tools are mechanisms designed to optimize patient outcomes and ensure the most appropriate use of medications while reducing waste, error and unnecessary prescription drug use and cost.

PA: Prior Authorization. The plan requires a prior authorization for certain drugs. This means patients must get approval from the insurance plan before the prescription is filled.

QL: Quantity Limit. For certain drugs the plan limits the amount of the drug that will be covered.

ST: Step Therapy. In some cases, the plan requires that the patient try certain drugs to treat their medical condition before covering another drug for that condition. For example, if Drug A and Drug B both treat the medical condition, the plan may not cover Drug B unless patient has tried Drug A first.

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