

## Lilly Hopes To Stop Counterfeit Zepbound, Stem Shortages By Selling Discounted Vials Online

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As the cost of obesity medications remains a hot topic on Capitol Hill, Eli Lilly announced prices for vials of their obesity medication Zepbound (tirzepatide) at less than half of the list prices for other GLP-1 medicines for self-pay patients through their online pharmacy component LillyDirect.

Patients with an on-label prescription can buy the vials through LillyDirect. Eli Lilly says this channel will help ensure counterfeit medicines are not going to patients. The company will also have a multi-step verification process to only dispense those with valid, on-label electronic prescription from a provider.

The channel also allows for transparent pricing, the company says.

"The self-pay channel enables a transparent price by removing third-party supply chain entities and allowing patients to access savings directly outside of insurance," the news release says.

A <u>news release</u> from Eli Lilly says a four-week supply of 2.5 mg single dose vials will be \$399 and a four-week supply of 5 mg dose vials will be \$549. In a statement, Eli Lilly Executive Vice President Patrik Jonsson says the vials will help meet the high demand for obesity medicine and increase access.

"In a clinical study, the 5 mg maintenance dose helped patients achieve an average of 15% weight loss after 72 weeks of treatment and has been a powerful tool for millions of people with obesity looking to lose weight and keep it off," he said.

The move comes as pressure from Congress increases on anti-obesity drug makers to reduce the prices of their medications, and as Lilly and other obesity drug makers deal with shortages of the medication and competition from compounders. Senate health committee chair Bernie Sanders (I-VT) is <u>set to hold a hearing</u> on Sept. 24 where he will ask Novo Nordisk global CEO Lars Fruergaard Jørgensen why it prices Ozempic for type-2 diabetes lower than Wegovy for weight loss and mitigating heart risk.

The hearing could put a spotlight on pharmaceutical makers' trend toward indication-specific pricing.

## Sanders said he is pleased with Zepbound's lower price in a news release.

"The good news is that Eli Lilly lowered the list price for the starter dose of Zepbound from over \$1,000 a month to \$399 a month, and the second dose to \$549 a month," he said. "The bad news is that Eli Lilly raised the cost that Americans have been paying for Zepbound under its patient assistance program from \$550 to \$650."

He said that Eli Lilly has not lowered the price of Mounjaro, which is also tirzepatide but prescribed for diabetes.

"There is no rational reason, other than greed, why Mounjaro should cost \$1,069 a month in the United States but just \$485 in the United Kingdom and \$94 in Japan," Sanders said.

Novo Nordisk's list the price for a one-month supply of Ozempic is \$935 and the one-month supply of Wegovy is priced at \$1,349.02. Both are the same drug, semaglutide.

Meanwhile, Hims & Hers Health offers compounded semaglutide GLP-1 injections for \$199 a month.

Alliance for Pharmacy Compounding CEO Scott Brunner cheered on the prices in a statement and said will be good for patients.

"It's a much more rational and care-focused response to the remarkable demand for their drug than the lawsuits and cease-and-desist letters Lilly has been raining down on compounding pharmacies," he said. "For 20 months now, compounders have been a lifeline for many patients, filling prescriptions for compounded tirzepatide injection at a time when the FDA-approved drug has been in shortage."

The House Ways & Means Committee advanced <u>on a bipartisan basis</u> in June the amended Treat and Reduce Obesity Act (TROA) that would allow Medicare to cover obesity drugs, but only for those who were already taking the medications, and direct HHS to review the national coverage determination of intensive behavioral therapy for obesity. It is estimated to cost \$1.7 billion over 10 years.

A KFF analysis found the increasing use of weight-loss and other specialty drugs is <u>driving premium growth</u> for Affordable Care Act plans in 2025.

If Medicare covers anti-obesity drugs next year, <u>a new study</u> predicts short-term annual spending could increase by three to six billion dollars, and while the study doesn't address long-term spending it appears to be a far cry from some researchers' warnings that covering obesity drugs would bust the Part D budget. The Congressional Budget Office is expected to review the study. -- *Luke Zarzecki* (<u>lzarzecki@iwpnews.com</u>)

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