



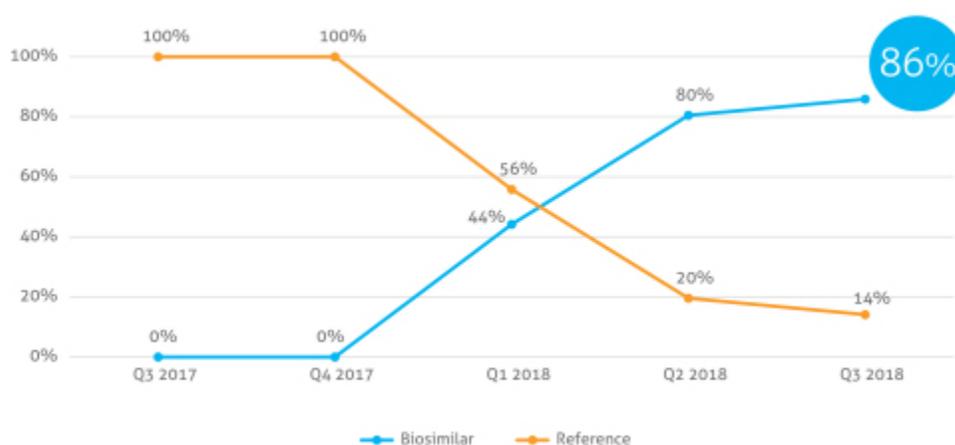
## Magellan Rx Management Biosimilar Program Shifts Infiximab Utilization by 86% in First Year, Resulting in 34% Drug Cost Savings

April 16, 2019

SCOTTSDALE, Ariz.--(BUSINESS WIRE)--Apr. 16, 2019-- Magellan Rx Management, the pharmacy benefit management (PBM) division of [Magellan Health, Inc.](#) (NASDAQ: MGLN), released new data today showcasing results from its medical pharmacy program focused on biosimilar management. The results revealed that health plan organizations saw a significant shift in utilization from high-cost drugs to lower-cost biosimilar formulations after implementation of a medical benefit drug management solution, yielding substantial drug cost savings while maintaining a high level of clinical quality.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20190416005326/en/>

### Health Plan Infiximab Market Share



Source: 2019 Magellan Rx Management Internal data

### Producing Real Savings with a Forward-Thinking Approach

The program leverages a comprehensive utilization management (UM) solution to shift utilization to the lower-cost biosimilar versions of infliximab, which is used to treat autoimmune conditions such as rheumatoid arthritis and inflammatory bowel disease. In support of this initiative, a team of highly-trained pharmacists developed a robust clinical policy, working with physician offices and hospitals to ensure appropriate utilization for each patient's unique situation. Though not considered directly interchangeable with their innovator brand counterparts, biosimilars are regarded as providing the same levels of clinical efficacy and safety, while offering the added benefit of potential cost-savings to payers and patients alike.

"These are difficult-to-manage therapies," said Steve Cutts, senior vice president and general manager, specialty. "But with over 16 years of targeted, total specialty drug

Health plan infiximab market share (Graphic: Business Wire)

management expertise, Magellan Rx—and our health plan customers—are in a prime position to embrace biosimilar availability of these high-cost drugs and produce real savings for all involved, not only through our clinically-sound utilization management program but also by negotiating enhanced discounts for the biosimilar versions."

- Health plan customers implementing a comprehensive management approach that transitions all patients to a biosimilar agent have reported a shift in market share of up to 86 percent.
- Even when utilizing a softer approach that mandates only new patients use the biosimilar version, health plans have experienced an uptake in biosimilar utilization as high as 75 percent.

According to the latest edition of the [Magellan Rx Management Medical Pharmacy Trend Report™](#), Remicade, the brand name for infliximab, is the highest-spend drug on the medical benefit.<sup>1</sup> Although biosimilar competition for infliximab has existed since 2016 in the United States, health plans have continued to see an increase in infliximab spend, including a 14 percent increase in Remicade per-member-per-month (PMPM) for commercial health plans from 2016 to 2017.<sup>1</sup> It's reported that payers spend \$43,000 per patient annually<sup>1</sup> on the reference brand, yet the ingredient cost of biosimilars can be up to 35 percent less.<sup>2</sup> Furthermore, medical pharmacy management strategies coupled with benefit design changes can have meaningful impact on lowering patient out-of-pocket costs.

"Leveraging our expertise in this field, we help our customers take advantage of leading-edge, thoughtful formulary management and clinical programs that can drive true drug cost savings," said Cutts. "We look forward to building upon our early successes here, and continuing to roll up our sleeves and solve complex specialty pharmacy challenges."

For more on the latest in medical pharmacy trends and biosimilar management strategies, download the ninth edition of the [Magellan Rx Management Medical Pharmacy Trend Report](#).

1. 2018 Magellan Rx Management Medical Pharmacy Trend Report™, ©2019.

- van de Vooren, K., Curto, A. & Garattini, L. Appl Health Econ Health Policy (2015) 13: 125. <https://doi.org/10.1007/s40258-015-0154-9>

**About Magellan Rx Management:** [Magellan Rx Management](#), a division of [Magellan Health, Inc.](#), is a full-service, next-generation pharmacy benefit manager (PBM) that helps our customers and members solve complex pharmacy challenges by connecting them to the people, technology, and information they need to make smarter healthcare decisions. As experts in managing specialty spend both on the prescription and medical benefit, we are energized by discovering new and better ways to deliver solutions in today's complex and rapidly-evolving healthcare environment, leading people to live healthier, more vibrant lives.

**About Magellan Health:** [Magellan Health, Inc.](#), a [Fortune 500 company](#), is a leader in managing the fastest growing, most complex areas of health, including special populations, complete pharmacy benefits and other specialty areas of healthcare. Magellan supports innovative ways of accessing better health through technology, while remaining focused on the critical personal relationships that are necessary to achieve a healthy, vibrant life. Magellan's customers include health plans and other managed care organizations, employers, labor unions, various military and governmental agencies and third-party administrators. For more information, visit [MagellanHealth.com](#).

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