



## Magellan Rx Management's Second Annual Employer Market Insights Report Highlights Market Dynamics and Opportunities for Traditional and Specialty Drugs

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*Unique report provides current and forward-looking pharmacy trends and cost management strategies for 2020 and beyond*

SCOTTSDALE, Ariz.--(BUSINESS WIRE)--May 20, 2019-- Magellan Rx Management, the pharmacy benefit management (PBM) division of Magellan Health, Inc. (NASDAQ:MGLN) today released its second [Employer Market Insights Report](#), which highlights key areas of pharmacy trend and spend. The report also provides exclusive drug forecasts and management strategies to help employers address and solve for challenges and capture opportunities that exist in the marketplace across both the pharmacy and medical benefits, while promoting improved health outcomes for members.

"This year, the FDA's record-breaking number of approvals for new molecular entities (NMEs) present new opportunities for patient care but also bring cost challenges for employers. The report looks forward to 2020 and beyond to assist employers with management strategies across both the pharmacy and medical benefits," said Matthew Mertel, general manager, employer market, Magellan Rx Management.

The report analyzes current and forecasted cost trends through a comprehensive focus on both traditional and specialty drugs on the pharmacy benefit. Forecasting data focuses on changes in traditional and specialty drugs in the near future while identifying the key factors driving costs and future cost trends. Key highlights from the [Employer Market Insights Report](#):

- The number of specialty drugs and total specialty costs have grown exponentially — 166 percent and 220 percent, respectively, over the past 10 years. They are forecasted to increase another 22 percent and 51 percent, respectively, by 2021.
- Insights into the cost burden for both plan sponsors and members show much of the cost burden falls on plan sponsors; however, member out-of-pocket (OOP) costs are considerably higher for specialty drugs versus traditional.
- Autoimmune in specialty pharmacy and migraine in traditional pharmacy are the key conditions to watch over the next three to five years. Two new agents in autoimmune will account for six percent growth in the category leading autoimmune to account for 15 percent-plus of total specialty costs. While groundbreaking therapies in migraine will contribute to traditional growth.

"These insights, combined with critical forecasting data, will have a meaningful impact on the ability of employers to effectively manage costs while promoting improved health outcomes for plan members," said Karim Prasla, vice president of clinical outcomes, advanced analytics, and research for Magellan Rx Management. "[MRx Predict](#), our new advanced analytics solution, can help employers proactively identify patients at risk of experiencing adverse events, including non-adherence to medications and misuse of opioid therapies. Importantly as well, it forecasts drug-cost drivers for customers so they can better plan for future drug expenditures and identify top therapeutic conditions and drugs."

**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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