



Magellan Rx Management Releases Fifth Annual Medicaid Pharmacy Trend Report

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PHOENIX--(BUSINESS WIRE)--Nov. 13, 2020-- [Magellan Rx Management](#), the full-service pharmacy benefits management division of [Magellan Health, Inc.](#) (NASDAQ: MGLN), released its fifth annual [Medicaid Pharmacy Trend Report™](#), the industry's leading report exclusively detailing trends in the Medicaid pharmacy fee-for-service (FFS) space and the only detailed source examining Medicaid FFS gross and net drug spend trends.

"As a national leader in pharmacy benefit management, with more than 40 years of experience, we maintain a deep understanding of the complexities within the Medicaid space related to prescription drug costs and utilization trends," said Meredith Delk, PhD, MSW, general manager and senior vice president, government markets, Magellan Rx Management. "The Medicaid Trend Report is one tool of many we deploy that provides value to our more than 25 government customers and Medicaid agencies across the country. We are delighted to release it for the fifth consecutive year."

Developed through in-depth data analysis and supported by Magellan's broad national experience managing Medicaid FFS pharmacy, the Medicaid Pharmacy Trend Report highlights the evolving landscape of Medicaid prescription drugs and anticipates the trends and challenges in the Medicaid FFS space. The report also now includes a standard in-depth analysis of the top drug classes including six additional categories that provide a superior overview of classes with significant net dollar impact.

Key findings in this year's report include:

- In 2019, specialty drugs accounted for 48.5 percent of net cost in Medicaid while making up just 1.3 percent of utilization.
- Traditional net spending on drugs decreased 0.4 percent from 2018 to 2019.
- Unit cost, not utilization, drove specialty trend in 2019. The net cost per claim increased by \$141.12, while utilization decreased by 0.9 percent.
- While claim volume remains virtually unchanged, the total net spend on specialty drugs increased by 2.4 percent which indicates that specialty drugs will account for 50 percent of total net spend for 2020.

"States are faced with inherent challenges related to the variability in the Medicaid program due to fluctuations in enrollment, enabling legislation and pharmacy program design," said Chris Andrews, Pharm.D., vice president, value-based purchasing, Magellan Rx Management. "The Medicaid Trend Report clearly illustrates critical data-driven observations and helpful solutions that can assist states as they continue to explore and implement efforts to balance the growing cost of state Medicaid programs with state budget projections as they focus on achieving improved outcomes for Medicaid patients."

The [Magellan Rx Management Medicaid Pharmacy Trend Report](#) includes data derived from Magellan Rx's Medicaid FFS pharmacy programs in 25 states and the District of Columbia.

About Magellan Rx Management: [Magellan Rx Management](#), a division of Magellan Health, Inc., is shaping the future of pharmacy. As a next-generation pharmacy organization, we deliver meaningful solutions to the people we serve. As pioneers in specialty drug management, industry leaders in Medicaid pharmacy programs and disruptors in pharmacy benefit management, we partner with our customers and members to deliver a best-in-class healthcare experience.

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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