



Long Predicted Medicaid Specialty Drug Trend Finally Surpasses 50% of Pharmacy Spend in the Latest Magellan Rx Management Medicaid Pharmacy Trend Report

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PHOENIX--(BUSINESS WIRE)--Nov. 15, 2021-- [Magellan Rx Management](#), the full-service pharmacy benefits management division of [Magellan Health, Inc.](#) (NASDAQ: MGLN), released its sixth annual [Medicaid Pharmacy Trend Report™](#), the industry's leading report exclusively detailing trends in the Medicaid pharmacy fee-for-service (FFS) space.

The Medicaid Pharmacy Trend Report highlights the evolving landscape of Medicaid, made even more dynamic from the events of the last two years. The report includes an in-depth analysis of class and drug trends, forecasting of Medicaid key conditions, drugs in the pipeline, and Medicaid pharmacy economics. This is also the only detailed industry source for the analysis of Medicaid pharmacy fee-for-service (FFS) gross, net, and forecasted drug cost trends.

"As our nation continues to navigate the lasting impacts of the COVID-19 pandemic, there is no doubt that states are facing unprecedented challenges across all areas of government, especially related to ensuring the mental and physical well-being of their citizens," said Meredith Delk, PhD, MSW, general manager and senior vice president, government markets, Magellan Rx Management. "The Medicaid Trend Report illustrates critical data-driven observations and solutions. The valuable insights in this report can assist states on their mission to ensure a high quality and cost-effective prescription drug program for their most vulnerable populations."

Key findings in this year's report include:

- In 2020, specialty drugs accounted for 51.4% of the net cost in Medicaid, a trend predicted for the last five years. A constant imbalance in spend, specialty drugs only accounted for 1.3% of utilization.
- 2020 traditional net cost trend for Medicaid FFS was positive for the first time in five years with the introduction of new-to-market drugs.
- Medicaid FFS top drug classes remained almost identical to previous years – with HIV/AIDS and antipsychotics accounting for more than 19.8% of the total net drug spend.
- With a steady increase in pipeline drugs, most key conditions will experience increased trend over the next three years. Comparatively, conditions with generic drug introductions or specialized management strategies will see a decrease.

Many of the Medicaid FFS drug trends remained steady, but the drug pipeline, a concern for all lines of business and operating in a year unlike any other, forced states to consider alternative pathways to continuity of care for patients, largely focused on technology-based solutions.

"Our ability to offer comprehensive and configurable solutions that fundamentally connect the dots for our customers and their members around the efficacy of drugs, quality care and payments is key," said Delk.

The [Magellan Rx Management Medicaid Pharmacy Trend Report](#) includes data from Magellan Rx's Medicaid FFS pharmacy programs in 25 states and the District of Columbia. The material is reviewed and supported by a team of Magellan Rx experts with broad national expertise, including 369 years of combined pharmacy benefit administration (PBA) experience.

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.](#), 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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