

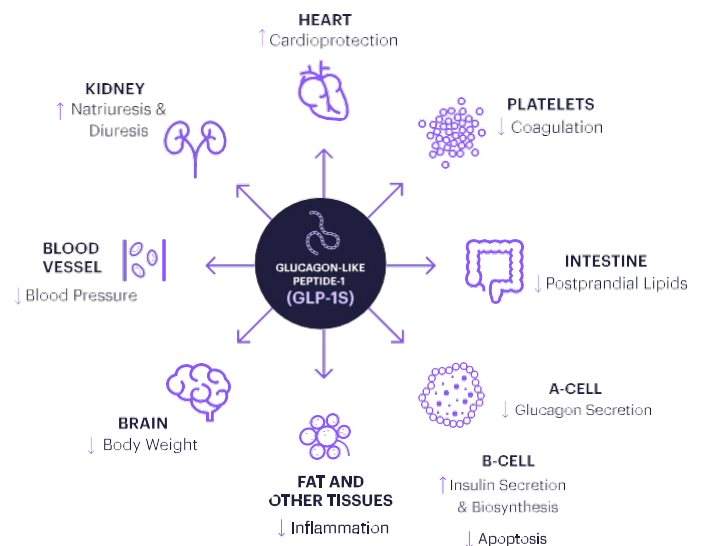
HOW TO SIZE THE IMPACT OF INCREASING GLP-1 MEDICATION UTILIZATION ON YOUR ORGANIZATION

GLP-1 medications—many of which cost over \$1000/month—are set to become the next blockbuster pharma category. Despite this, many employers remain in the dark about how an increase in utilization will affect their organization. This is your guide to sizing the impact this trend will have on your organization.

Understanding GLP-1s

First, some background: GLP-1s—short for glucagon-like peptide-1s—were initially approved by the FDA in 2005 as a treatment for type 2 diabetes. However, experts were quick to recognize their numerous metabolic health benefits, including for obesity treatment. In 2021, the FDA approved a new GLP-1 called Wegovy® with the broadest label in FDA history, making it clinically-appropriate for adults with obesity alone (BMI ≥30) or overweight (BMI ≥27) who also have weight-related medical problems. This meant that **roughly 70% of the population would qualify to take a GLP-1.**

GLP-1s work by stimulating naturally occurring hormones that send signals to the brain to regulate metabolic functions, promote satiety, and decrease appetite. **Their multiple positive biological effects—including reducing the likelihood of cardiovascular disease—help people not only lose weight but also achieve improved cardiometabolic health.** Additionally, unlike previous classes of obesity medication, **GLP-1s are safe, effective, and stimulant-free.**



Why an increase in utilization is inevitable

GLP-1s are being hailed as the next blockbuster pharma category and a massive increase in utilization is inevitable. Here's why:



- 1. These medications are incredibly effective.** Wegovy drove up to 15% weight loss in clinical trials, and efficacy is only set to increase as pharmaceutical companies continue to invest in R&D.¹ As it does, consumer awareness and demand for these medications will continue to grow.
- 2. Obesity treatment saves lives.** Ongoing studies on Wegovy are likely to show the medication delivers a significant reduction in the risk of heart attack, stroke and cardiovascular death.² If GLP-1s develop a "life saving" status, patients, payers and clinicians will take notice, resulting in increased GLP-1 utilization.
- 3. Focus is shifting to treat obesity as the upstream cause of a spectrum of chronic diseases.** Obesity is the most prevalent chronic disease in the US, and is a key driver of several downstream complications including diabetes, cardiovascular disease, and cancer.⁴ As a result, we're already seeing a shift in clinical care that supports expanded obesity treatment, including the utilization of GLP-1s.⁵

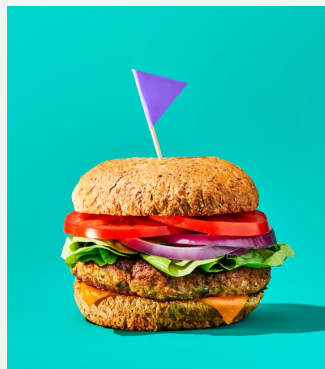
How to size the impact on your organization

In order to size the impact that an increase in GLP-1 utilization will have on your organization, it's imperative to meet with your benefits stakeholders. Here's what to ask:

- ✓ Does our PBM cover GLP-1 medications for obesity?
 - If yes, what are the restrictions (i.e., prior authorization requirements) in place?
 - If no, are there plans to cover these medications in the future?
 - ✓ What is the year-over-year trend for GLP-1 utilization for each respective GLP-1 medication?
 - Scripts per 1,000 members
 - Cost per 1,000 members
 - Cost per script
 - Cost per member per month
 - ✓ Have we seen demand from our employees for GLP-1 medication?
- ✓ If GLP-1s are indicated for anyone with a BMI greater or equal to 30, what percent of our employees would benefit from GLP-1 medication?
 - ✓ What are the financial risks for our business if X% of our employees begin utilizing GLP-1s without a cost management plan?
 - ✓ What strategies or programs does our health plan or PBM have in place to mitigate GLP-1 overutilization?
 - ✓ How do we ensure that employees who are taking a GLP-1 medication also make behavior changes to ensure they don't need to be on medication forever?

How Calibrate can help manage GLP-1 utilization

As GLP-1 utilization increases, an effective platform is needed to manage their growing use and costs. Calibrate has designed a metabolic health platform to do just that. By pairing medication access management with a purpose-built intensive lifestyle intervention, Calibrate enables members to taper off medication while sustaining results long-term. Calibrate's powerful combination drives significant, sustainable results (average 15% weight loss) which can deliver dramatic total cost of care savings (pharmacy claim savings of \$12,000 over two years + medical claim savings of \$3,000⁶ per year).



Schedule a call today to learn more about how Calibrate can help manage GLP-1 utilization. Visit joincalibrate.com/pages/employers.

¹ Wegovy® (semaglutide) injection 2.4 mg Official Physician Site

² LLY NVO stocks in focus as Morgan Stanley projects over \$50B obesity market (NYSE:LLY) | Seeking Alpha

³ <https://www.novonordisk-us.com/products/product-supply-update.html>

⁴ Adult Obesity Facts | Overweight & Obesity | CDC

⁵ Perez-Montes DE Oca A, Pellitero S, Puig-Domingo M. Obesity and GLP-1. Minerva Endocrinol (Torino). 2021 Jun;46(2):168-176. doi: 10.23736/S2724-6507.20.03369-6. Epub 2020 Nov 19. PMID: 33213122.

⁶ Data derived from Yuchen Ding, PhD. "Economic value of nonsurgical weight loss in adults with obesity", JMCP.org, Jan 2021 (savings adjusted for inflation).