



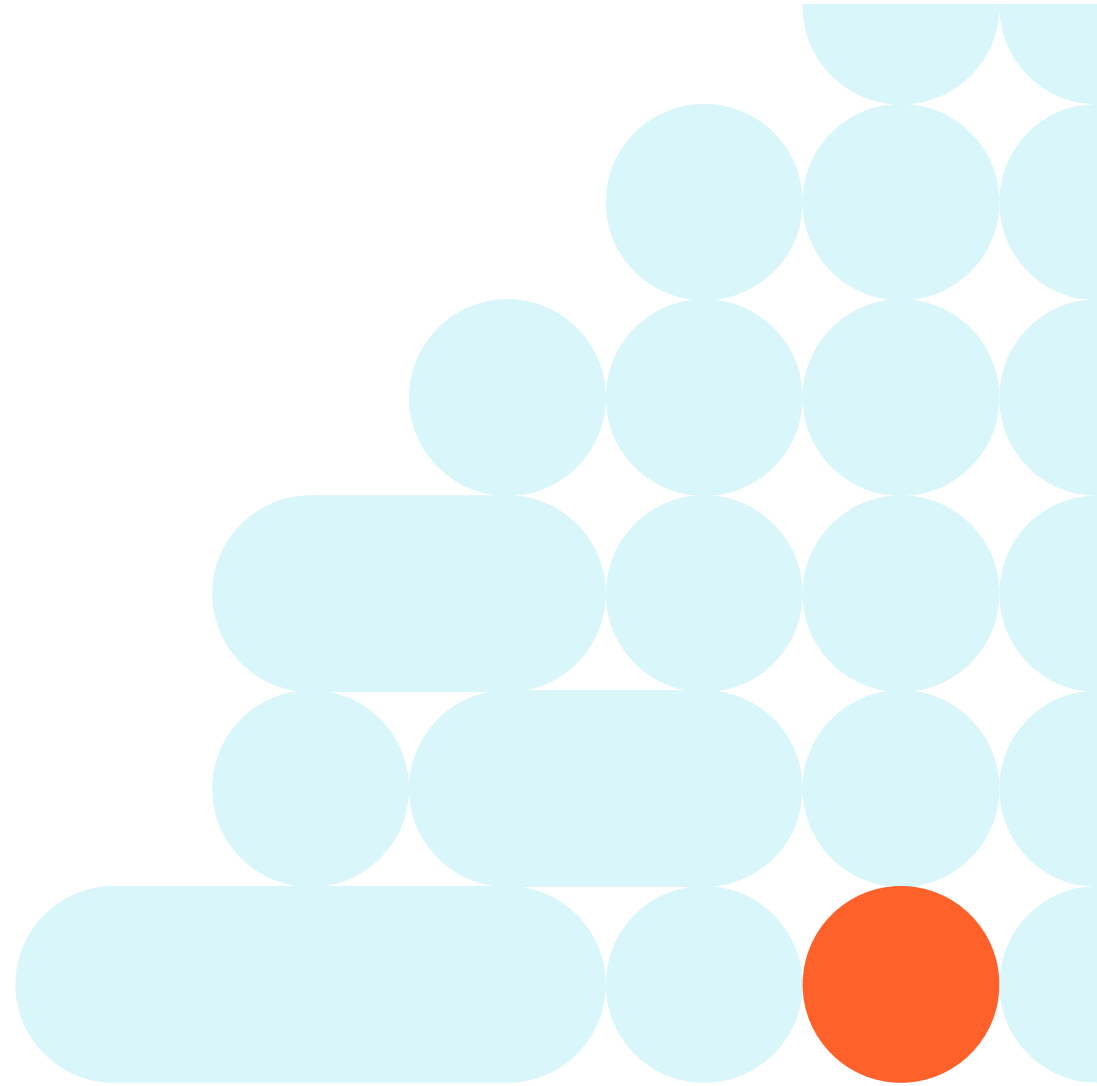
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# State Health Benefits Program

State of New Jersey  
Division of Pensions & Benefits

**Pharmacy Trend Update**  
**Jan-Dec 2025 vs Jan-Dec 2024**

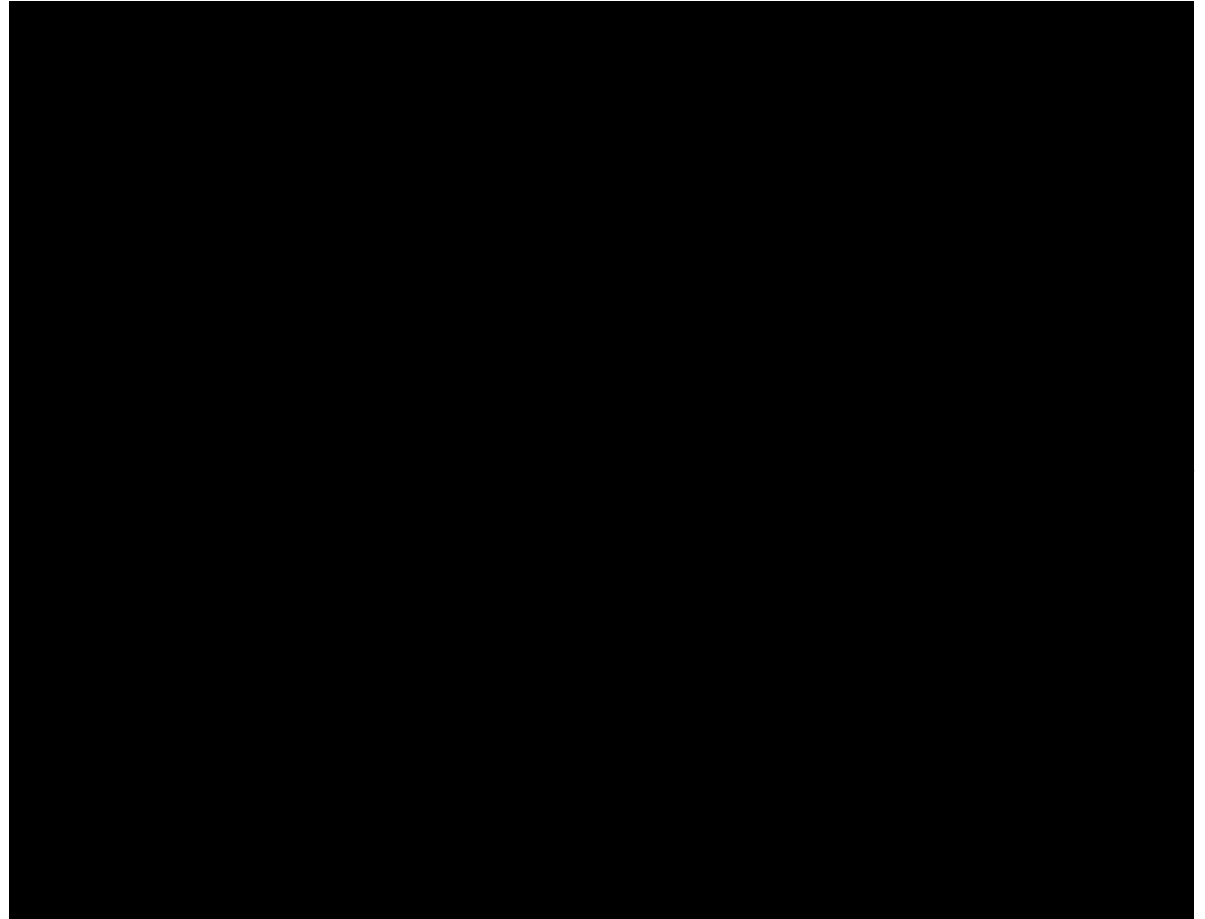
May 13, 2026



## Agenda

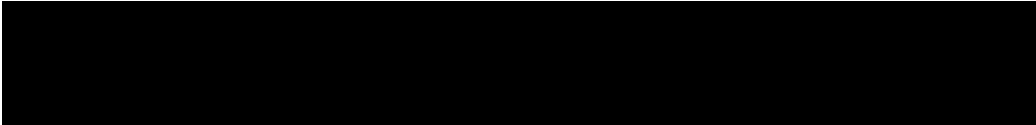
1. Introductions
2. Commercial Review
3. Biosimilar Update
4. GLP-1 Update
5. EGWP Review
6. Drug Pipeline Update
7. Appendix

## Optum Rx Attendees



## Commercial Spend

<b>Total Rx</b> CURRENT 3,885,976 PREVIOUS 3,855,873 PERCENT CHANGE 0.8%	<b>Total plan paid</b> CURRENT \$1,358,467,822 PREVIOUS \$1,157,953,536 PERCENT CHANGE 17.3%	<b>Utilizers</b> CURRENT 299,798 PREVIOUS 303,823 PERCENT CHANGE -1.3%
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### 2025 Gross PMPM

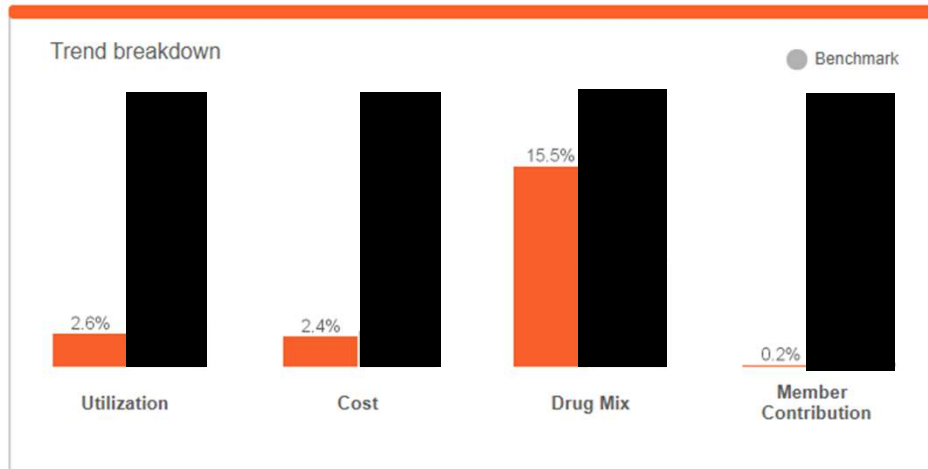


### Net financial PMPM performance

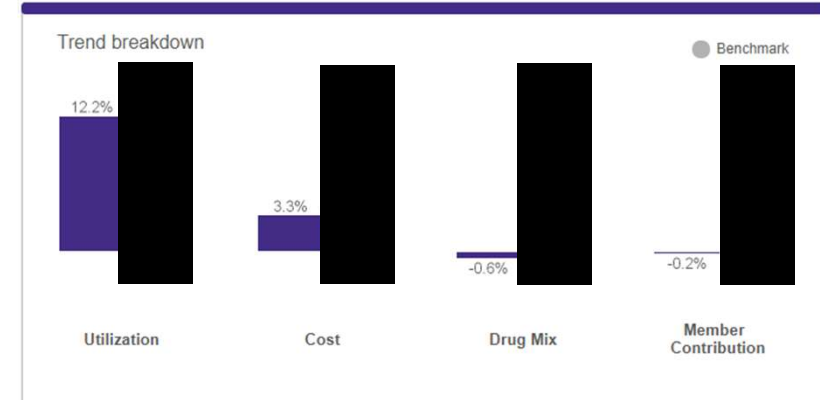
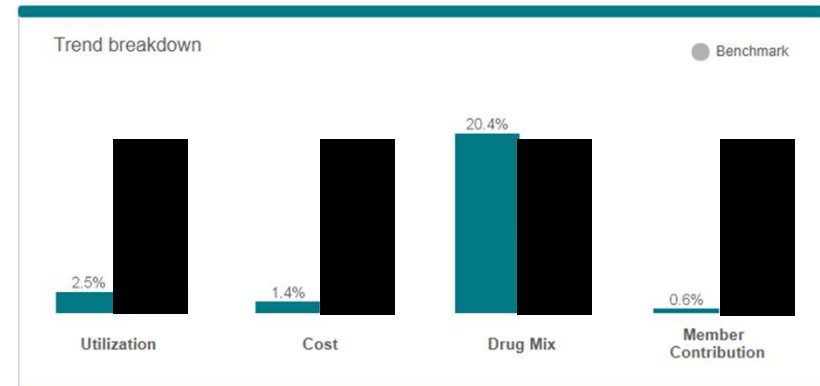
	Drug cost	Member Paid	Plan Paid	Rebates	Net plan paid
Traditional	\$208.40	\$7.72	\$200.68		
Specialty	\$133.65	\$2.80	\$130.85		
Total	\$342.05	\$10.52	\$331.53		

## Commercial Trend

### Total Gross Trend

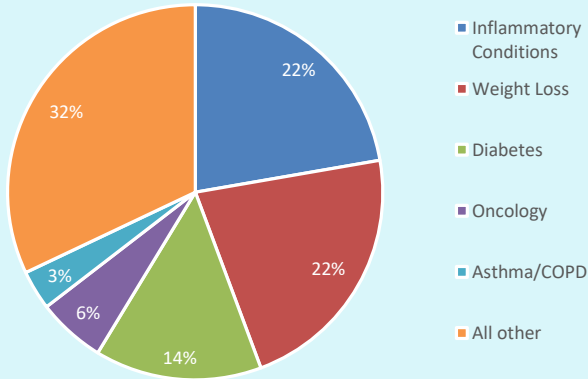


- SHBP pharmacy trend was driven by utilization and drug mix within the following disease states: inflammatory conditions, weight loss, diabetes, and oncology.
- Rebates offset gross costs by 41% resulting in a net YoY trend of 16.9%.



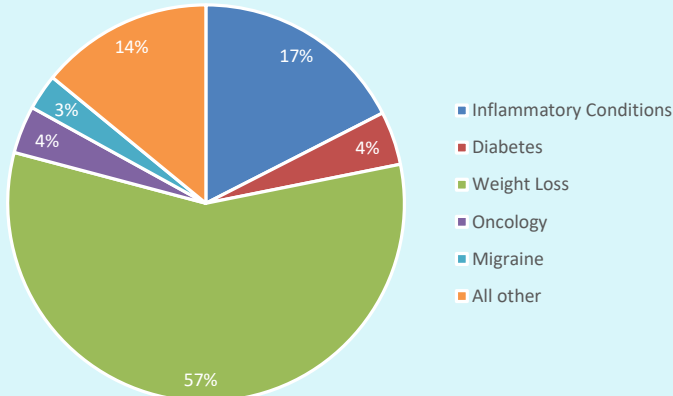
## Top Disease States – Commercial

Spend



% of overall gross spend

Trend



Portion of 20.6% overall trend

	Top by gross spend (PMPM, before rebates)	Top by impact to trend (20.6% overall)	Trend
Inflammatory Conditions	<b>\$73.81</b>	<b>3.6%</b>	15.4%
Weight Loss	<b>\$73.06</b>	<b>11.8%</b>	80.2%
Diabetes	<b>\$47.67</b>	<b>0.9%</b>	5.2%
Oncology	<b>\$19.46</b>	<b>0.8%</b>	12.7%
Asthma/COPD	<b>\$11.31</b>	0.5%	13.4%
HIV	\$8.33	0.4%	15.0%
Migraine	\$7.72	<b>0.6%</b>	25.0%

Bolded represent top 5

Source: Jan-Dec 2025 vs. Jan-Dec 2024; Total Plan Paid PMPM before Rebates; SONJ Commercial IQPR

Reporting Date Range: Jan-Dec 2025 vs Jan-Dec 2024

## Top Drugs – Commercial

Rank	Drug Name	Therapy Class	Plan Paid PMPM CP	Total Plan Paid CP	Total Plan Paid PP	Utilizers CP	Utilizers PP	RXs CP	RXs PP	PMPM Trend	Top Driver
1	WEGOVY	GLP-1 Anti-Obesity	\$37.01	\$151,633,451	\$134,647,936	16,200	16,338	104,308	90,873	15.4%	Utilization
2	ZEPBOUND	GLP-1 Anti-Obesity	\$35.70	\$146,283,896	\$32,745,778	19,749	7,464	126,056	29,469	359.4%	Utilization
3	MOUNJARO	GLP-1 Diabetes	\$17.05	\$69,863,159	\$49,357,798	8,180	6,255	50,379	35,789	45.6%	Utilization
4	OZEMPIC	GLP-1 Diabetes	\$12.21	\$50,034,511	\$54,315,623	6,732	7,651	35,127	36,632	-5.3%	Utilization
5	DUPIXENT	Chronic Inflammatory Disease	\$10.45	\$42,800,919	\$33,872,710	1,566	1,317	10,678	9,119	22.9%	Utilization
6	SKYRIZI PEN	Chronic Inflammatory Disease	\$6.66	\$27,277,436	\$19,894,741	412	321	1,288	1,004	41.0%	Utilization
7	JARDIANCE	SGLT-2 Inhibitors & Combos	\$5.88	\$24,099,045	\$23,529,630	5,059	5,047	18,835	18,762	5.3%	Cost
8	AMJEVITA	Chronic Inflammatory Disease	\$5.53	\$22,663,958	\$--	600	--	2,891	--	5,532.1%	Utilization
9	HUMIRA PEN	Chronic Inflammatory Disease	\$5.11	\$20,931,591	\$55,325,332	507	778	1,821	4,980	-61.1%	Utilization
10	STELARA	Chronic Inflammatory Disease	\$4.87	\$19,953,105	\$44,723,886	278	341	782	1,805	-54.1%	Utilization

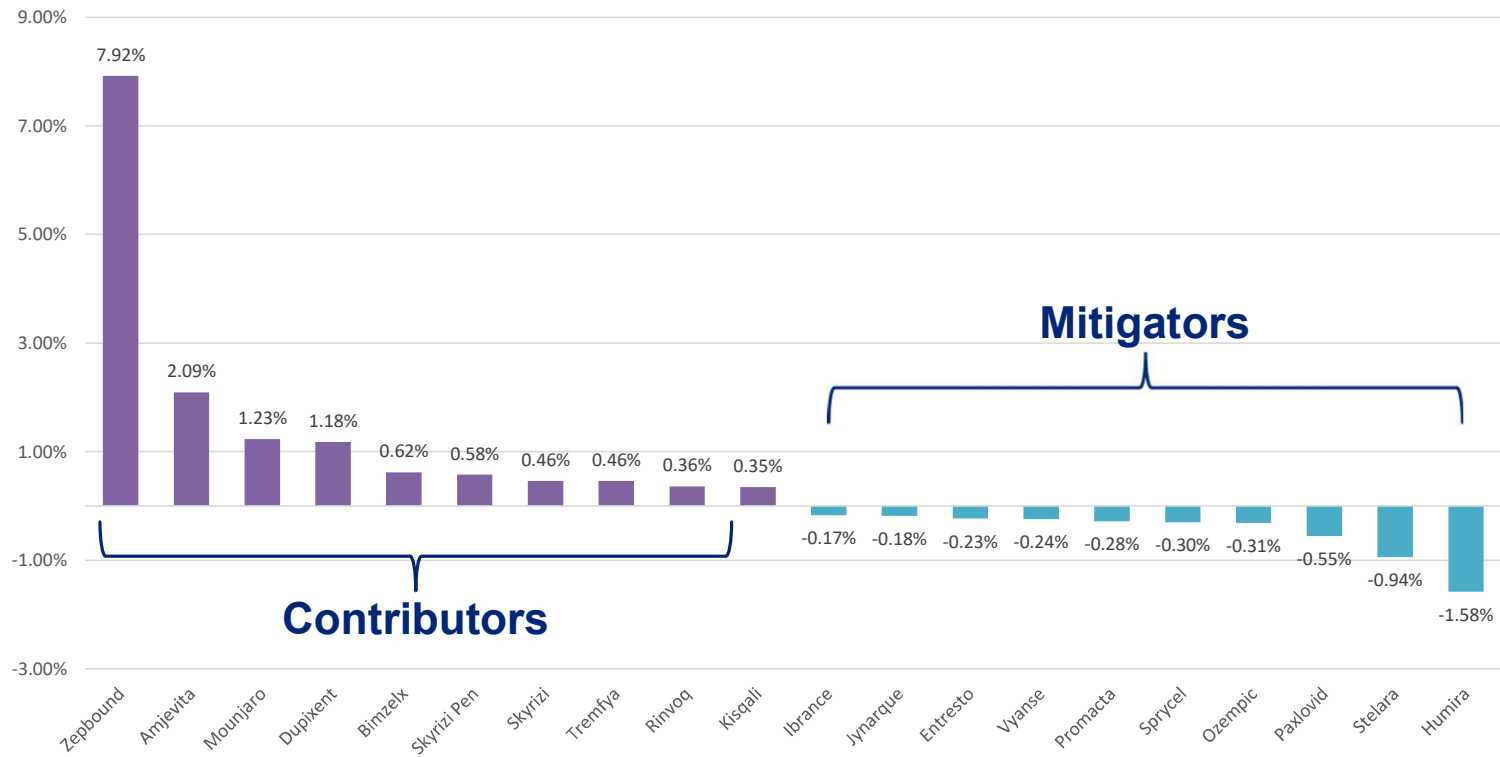


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CP = Current Period PP= Previous Period

Chart represents gross spend and trend (before rebates)

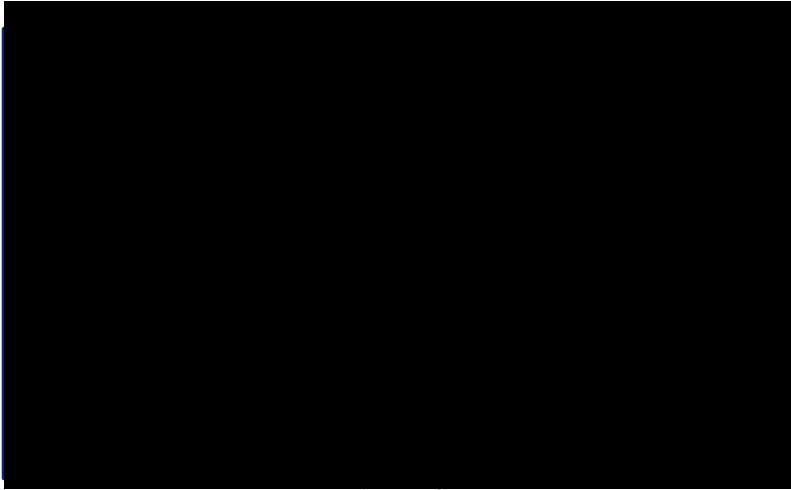
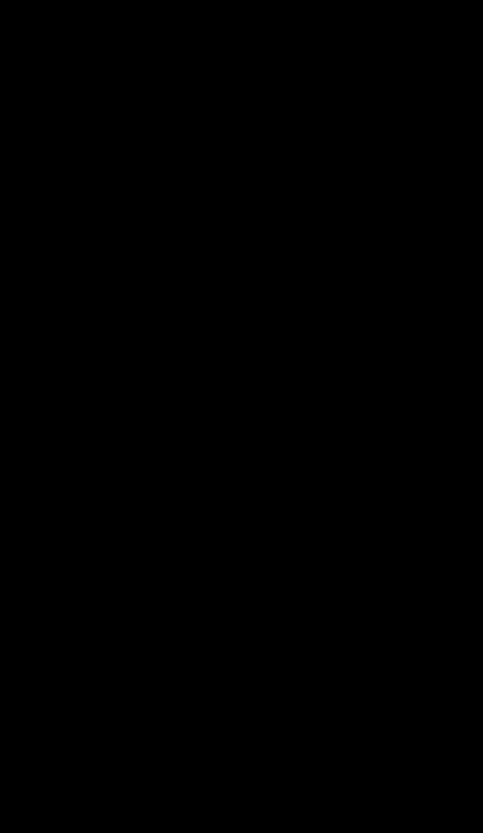
# Top Contributors & Mitigators to Trend Drug Level Net Cost PMPM Impacts to Trend in 2025



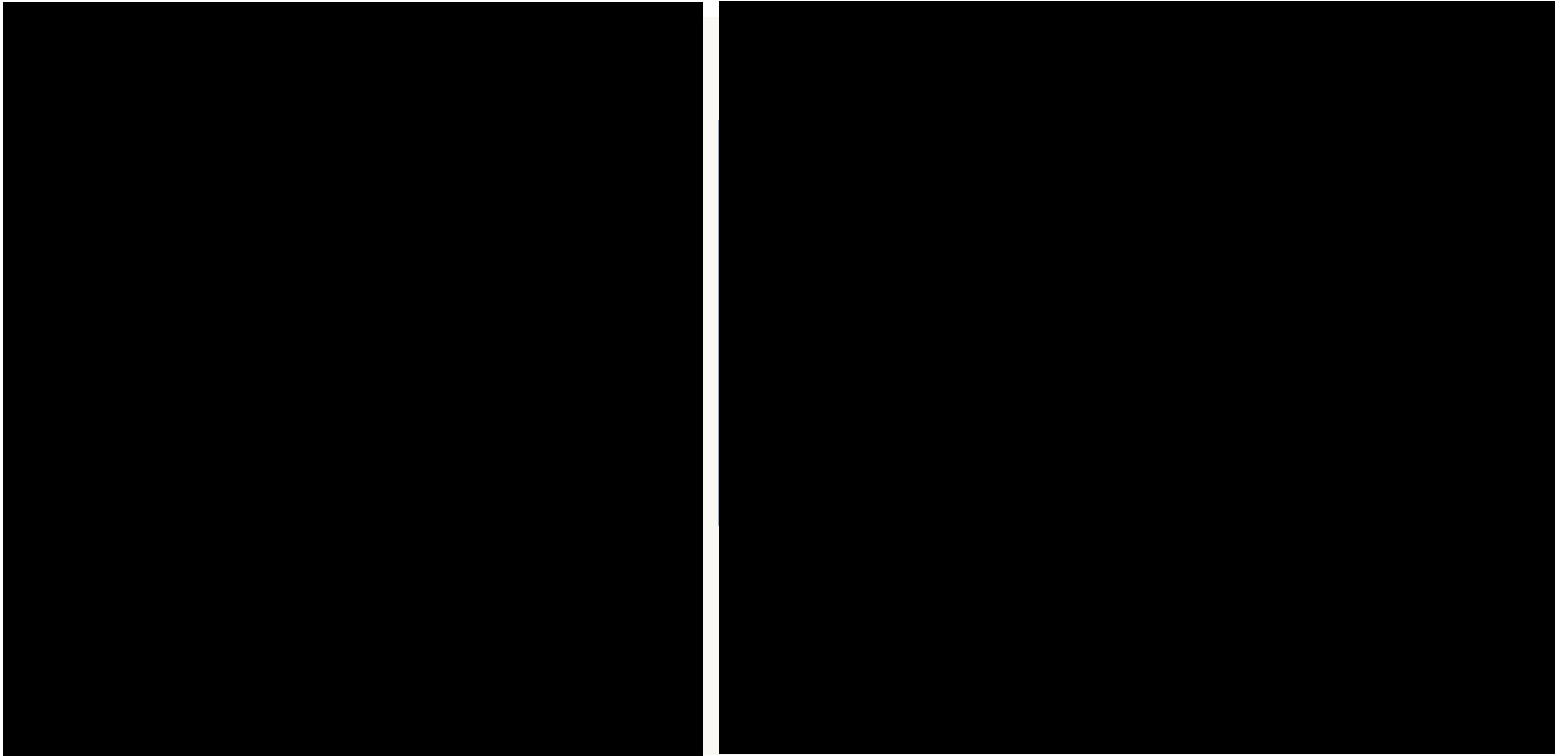
# Biosimilar usage YTD 2025

Q3-Q4 2025 Humira Switches

Market Share



## Updated Zepbound/Wegovy pricing mitigates trend in Q4



# Specialty High-Cost Utilizers

Reporting Date Range: Jan-Dec 2025 vs Jan-Dec 2024  
STATE

Total high cost utilizers: 259

4.3% of utilizers have an average Plan Paid per month that exceeds \$16,500

\$75.6M or 21.1% of specialty spend was driven by high-cost utilizers

Rank	Primary Drug	Primary Diagnosis	# of Drugs	Total Plan Paid 2025
1	STRENSIQ	Hypophosphatasia	12	\$1,064,702
2	STRENSIQ	Hypophosphatasia	16	\$1,043,316
3	BLYVAY	PFIC	9	\$911,781
4	TAKHZYRO	HAE	8	\$684,589
5	TAKHZYRO	HAE	16	\$680,327

Disease State	High-Cost Total Spend	High-Cost Utilizers	Avg Plan Paid per Utilizer per Month
Oncology	\$25,069,053	99	\$21,101.90
Inflammatory Conditions	\$17,896,567	70	\$21,305.44
Blood Disorders	\$6,630,017	15	\$36,833.43
Cystic Fibrosis	\$5,708,583	18	\$26,428.63
Endocrine and Metabolic	\$5,127,345	13	\$32,867.60
All other	\$15,199,898	73	\$17,351.48

High Cost Utilizers	Percentage of Cost	Avg Plan Paid per utilizer
CURRENT 259	CURRENT 21.1%	CURRENT \$24,334
PREVIOUS 231	PREVIOUS 20.1%	PREVIOUS \$22,847
PERCENT CHANGE 12.1%	PERCENT CHANGE 4.7%	PERCENT CHANGE 6.5%

# Specialty High-Cost Utilizers

Reporting Date Range: Jan-Dec 2025 vs Jan-Dec 2024

LOCAL GOVERNMENT

Total high cost utilizers: 117

3.8% of utilizers have an average Plan Paid per month that exceeds \$16,500

\$38.1M or 20.9% of specialty spend was driven by high-cost utilizers

Rank	Primary Drug	Primary Diagnosis	# of Drugs	Total Plan Paid 2025
1	STRENSIQ	Hypophosphatasia	4	\$1,858,539
2	STRENSIQ	Hypophosphatasia	19	\$772,633
3	FIRADAPSE	LEMS	12	\$742,356
4	CTEXLI	Cerebrotendinous Xanthomatosis	7	\$668,508
5	ILARIS	Periodic Fever Syndromes	8	\$548,003

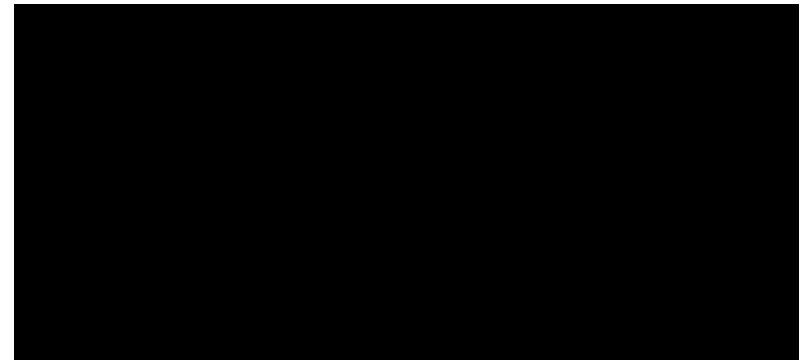
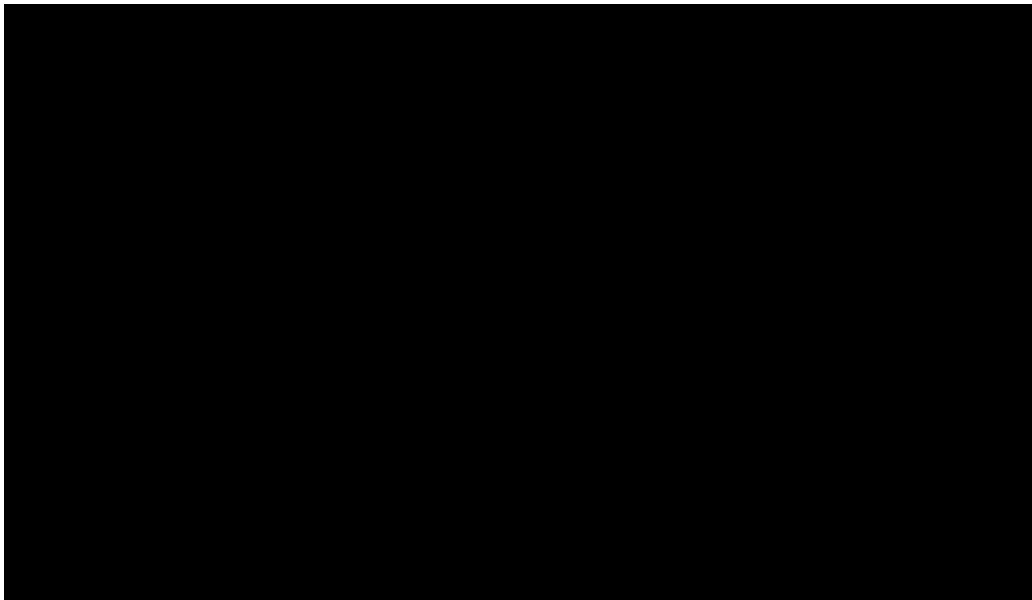
High Cost Utilizers	Percentage of Cost	Avg Plan Paid per utilizer
CURRENT 117	CURRENT 20.9%	CURRENT \$27,128
PREVIOUS 125	PREVIOUS 22.1%	PREVIOUS \$25,166
PERCENT CHANGE -6.4%	PERCENT CHANGE -5.2%	PERCENT CHANGE 7.8%

Disease State	High-Cost Total Spend	High-Cost Utilizers	Avg Plan Paid per Utilizer per Month
Oncology	\$8,174,147	33	\$20,641.78
Inflammatory Conditions	\$6,786,808	27	\$20,946.94
Cystic Fibrosis	\$4,442,186	14	\$26,441.58
Endocrine and Metabolic	\$4,403,868	7	\$54,427.00
Neuromuscular Agent	\$2,620,836	5	\$43,680.60
All other	\$11,660,398	48	\$20,243.75

# EGWP Spend

Total Rx's	Total plan paid	Utilizers
CURRENT 2,716,051	CURRENT \$887,820,796	CURRENT 91,364
PREVIOUS 2,706,742	PREVIOUS \$785,716,465	PREVIOUS 90,412
PERCENT CHANGE 0.3%	PERCENT CHANGE 13.0%	PERCENT CHANGE 1.1%

## 2025 Gross PMPM

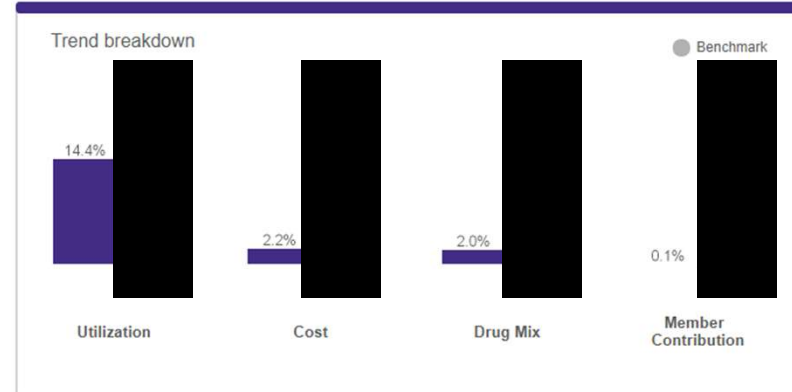
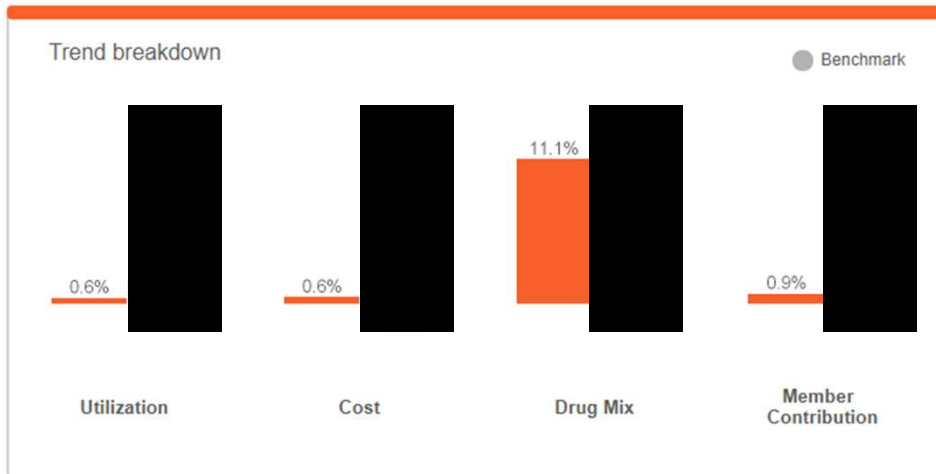
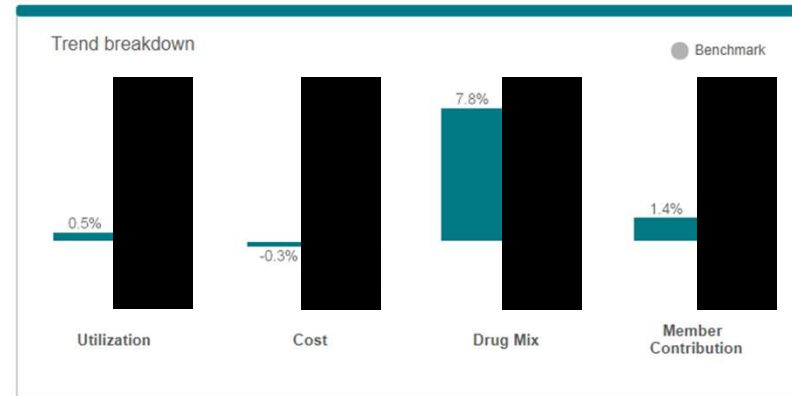


## EGWP Trend

### Total Gross Trend

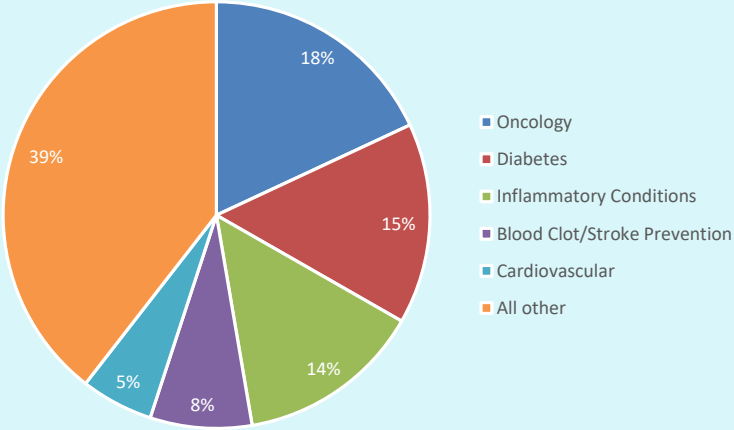


- SHBP EGWP pharmacy trend was under Optum's EGWP benchmark by 1.3%
- Rebates and federal subsidies offset gross costs by 63% resulting in a negative net YoY trend of -6.1%



# Top Disease States – EGWP

Spend



% of overall spend

	Top by gross spend (PMPM, before rebates)	Top by impact to trend (ranked)	Trend
Diabetes	<b>\$150.69</b>	<b>4</b>	8.8%
Oncology	<b>\$127.07</b>	<b>2</b>	14.7%
Inflammatory Conditions	<b>\$117.13</b>	<b>1</b>	18.4%
Blood Clot/ Stroke Prevention	<b>\$64.27</b>		6.3%
Cardiovascular	<b>\$45.77</b>		9.5%
Weight Loss	\$26.36	<b>3</b>	111.1%
Immunomodulators	\$8.42	<b>5</b>	164.8%

Bolded represent top 5

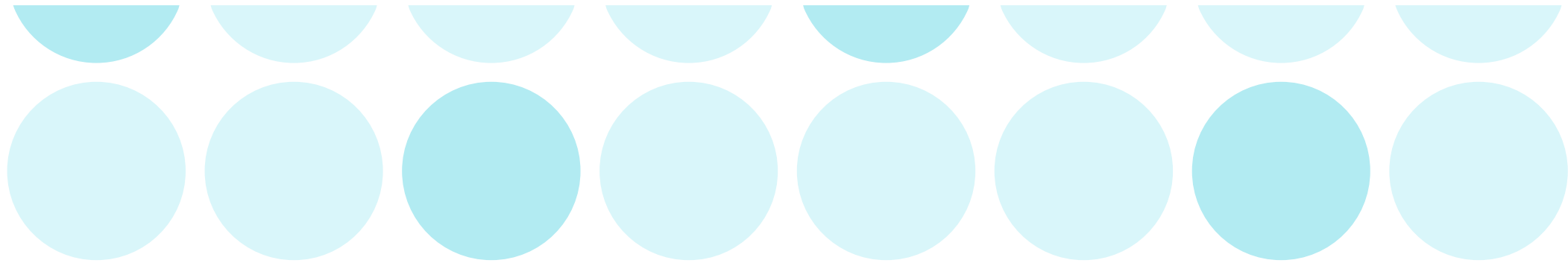


Reporting Date Range: Jan-Dec 2025 vs Jan-Dec 2024

## Top Drugs – EGWP

Rank	Drug Name	Therapy Class	Plan Paid PMPM CP	Total Plan Paid CP	Total Plan Paid PP	Utilizers CP	Utilizers PP	RXs CP	RXs PP	PMPM Trend	Top Driver
1	ELIQUIS	Oral Anticoagulants	\$47.51	\$50,558,931	\$46,367,239	10,161	9,531	46,172	43,956	9.4%	Utilization
2	OZEMPIC	GLP-1 Diabetes	\$33.74	\$35,907,082	\$32,527,828	4,253	4,306	21,570	19,569	10.7%	Utilization
3	MOUNJARO	GLP-1 Diabetes	\$31.31	\$33,322,331	\$19,160,366	3,361	2,409	20,923	12,552	74.4%	Utilization
4	JARDIANCE	SGLT-2 Inhibitors & Combos	\$22.24	\$23,668,306	\$18,922,354	4,638	3,958	17,967	15,167	25.5%	Utilization
5	FARXIGA	SGLT-2 Inhibitors & Combos	\$19.16	\$20,392,451	\$17,894,771	4,184	3,856	16,817	15,558	14.3%	Utilization
6	DUPIXENT	Chronic Inflammatory Disease	\$15.95	\$16,969,263	\$11,702,095	547	411	4,387	3,130	45.4%	Utilization
7	VYNDAMAX	Transthyretin Stabilizers	\$15.83	\$16,850,518	\$12,516,277	81	60	771	566	35.0%	Utilization
8	WEGOVY	GLP-1 Anti-Obesity	\$15.57	\$16,574,165	\$12,666,112	1,636	1,674	10,513	8,079	31.2%	Utilization
9	HUMIRA PEN	Chronic Inflammatory Disease	\$15.30	\$16,286,010	\$17,412,861	235	253	2,063	2,188	-6.2%	Utilization
10	TRELEGY ELLIPTA	Inhaled Asthma/COPD Combo	\$13.08	\$13,916,803	\$12,213,710	2,970	2,807	12,971	11,964	14.3%	Utilization

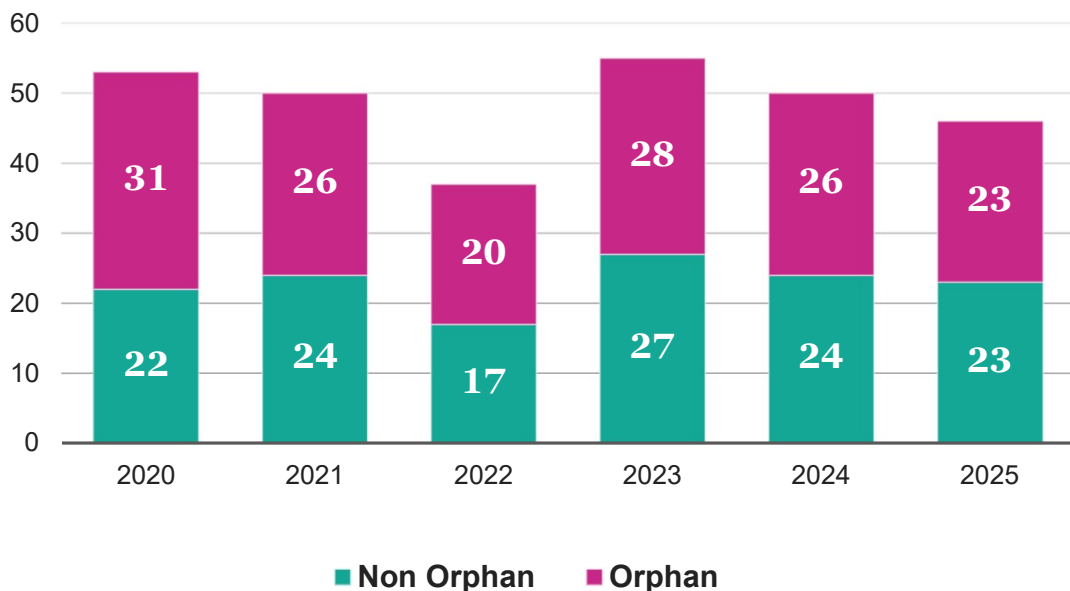




# Pipeline updates

# 2026 forecast marked by familiar themes, select breakouts

Novel FDA drug approvals by year and orphan drug status<sup>1</sup>



## Outlook for 2026<sup>2</sup>

58 novel drugs have been either approved or submitted to the FDA for approval for 2026

**69%** are specialty drugs  
(76% in 2025)

**41%** have orphan designation  
(50% in 2025)

**31%** are oncology drugs  
(33% in 2025)

# 2026 categories with impactful anticipated approvals



## Diabetes mellitus, type II

### **Awiqli (insulin icodec)**<sup>^</sup>

First once weekly long-acting insulin  
(3/28/2026)

### **Orforglipron**<sup>\*\*</sup>

Oral GLP-1 without dietary restrictions  
(2H 2026)

### **Insulin efsitora alfa**<sup>^</sup>

Once weekly long-acting insulin  
(3Q 2026)



## Infectious disease

### **Bulevirtide**

First drug for hepatitis delta virus  
(3/22/2026)

### **Doravirine/islatravir**

Additional option for HIV treatment  
(4/28/2026)

### **Ensitrelvir**

First COVID-19 post-exposure prophylaxis drug  
(6/16/2026)



## Dyslipidemia / hypercholesterolemia

### **Enlicitide**<sup>\*</sup>

First oral PCSK-9 inhibitor (2H 2026)

### **Tryngolza (olezarsen)**<sup>^</sup>

New indication and novel mechanism for severe hypertriglyceridemia  
(6/2026)



## Chronic inflammatory

### **Sotyktu**

New indication for psoriatic arthritis  
(Approved 3/9/2026)

### **Icetrokinra**<sup>^</sup>

First oral IL-23 antagonist; most effective oral agent for plaque psoriasis  
(3/2026)



## Behavioral health

### **Auvelity**

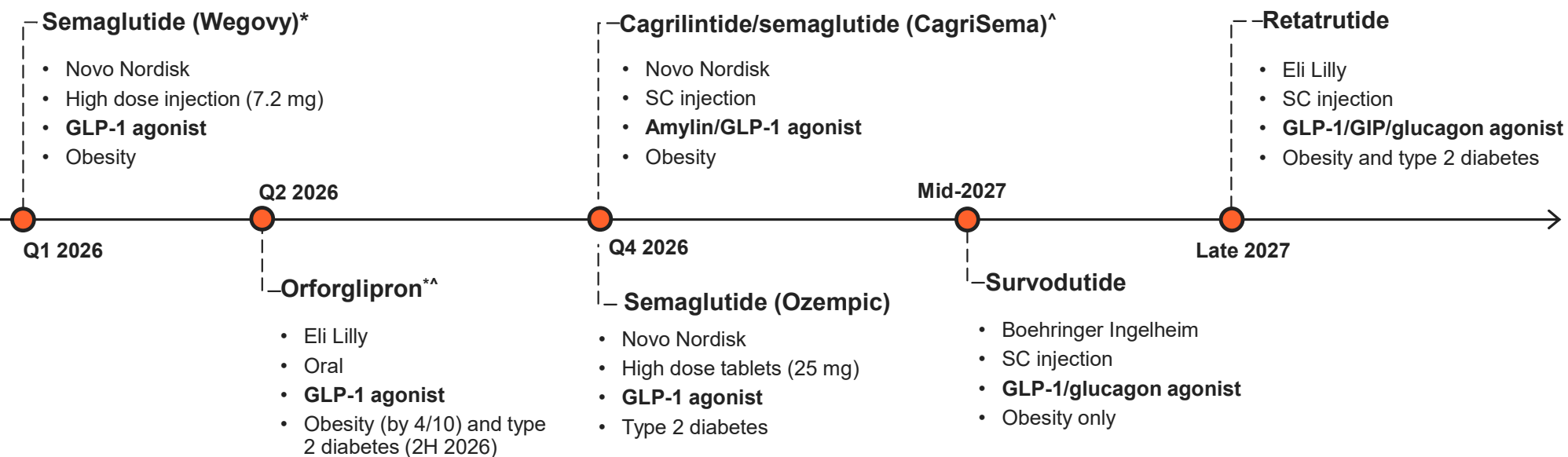
New indication for Alzheimer's disease agitation  
(4/30/2026)

### **Cytisinicline**

Additional option for smoking cessation  
(6/20/2026)

# Oral GLP-1s are in – combos and triple-agonists ahead

Diabetes and obesity GLP-1 new drug pipeline 2026 – 2027

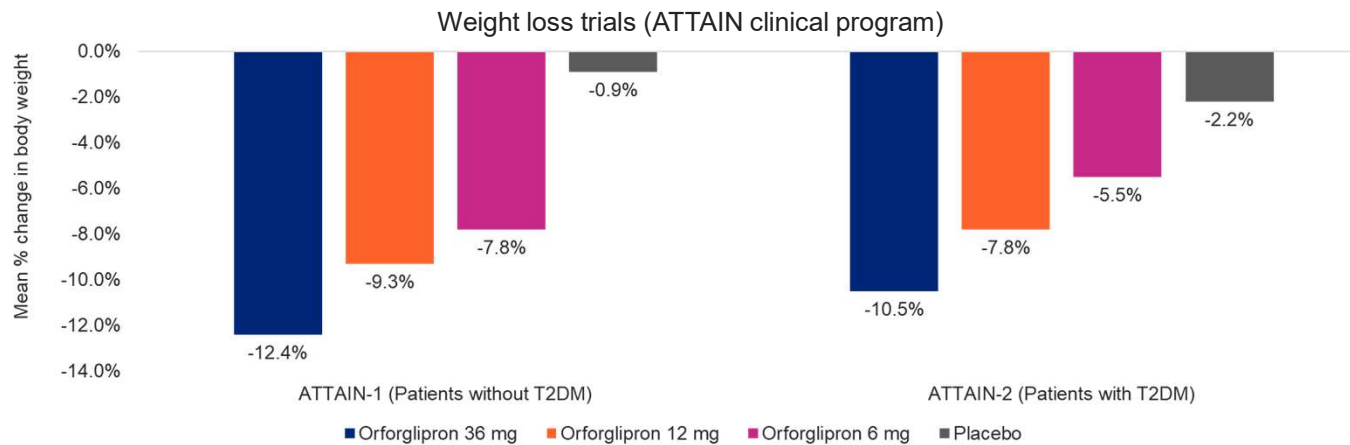


\*National Priority Review Voucher  
^Optum Rx First Mover

# Orforglipron for chronic weight management

**New drug:** FDA approval decision expected by April 10 via National Priority Review

Key insight: Over 70% of people in the U.S. are either overweight or obese. Oral orforglipron demonstrated a statistically significant reduction in body weight vs. placebo. Orforglipron would be the second oral weight loss GLP-1 receptor agonist.



## What it means

Would be the second oral GLP-1 indicated for weight loss, but the first without dietary restrictions

A new GLP option but not likely to bring a new population of utilizers

Similar reductions in body weight as oral Wegovy but less than injectable tirzepatide (Zepbound)

Also in development for type 2 diabetes with potential approval in 2H 2026

# Appendix

Optum

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## Pharmacy Trend Overview

- Pharmacy trend is measured by the Plan's Year-over-Year (YoY) Per Member Per Month (PMPM) costs.
- Optum Rx measures four primary Drug Trend drivers to help identify areas of opportunity and make appropriate trend mitigation recommendations:
  - Utilization
  - Cost
  - Drug Mix
  - Member Contribution
- Traditional and Specialty Drug Trend is measured separately to determine the primary trend drivers for each category of drugs.
- Disease states and top drugs are ranked and reviewed by spend and contribution to trend.

## Key Performance Indicators – State of New Jersey Quarterly Review

SHBP

Q4 2025

<b>\$313.38</b> Plan Paid PMPM SHBP Actives		[REDACTED]
<b>\$419.33</b> Plan Paid PMPM SHBP Early Retirees		
<b>\$834.27</b> Plan Paid PMPM SHBP EGWP Retirees		
<b>\$308.92</b> State Active PMPM	<b>\$324.56</b> LG Active PMPM	
<b>\$426.56</b> State ER PMPM	<b>\$411.38</b> LG ER PMPM	
<b>\$826.54</b> State EGWP PMPM	<b>\$850.55</b> LG EGWP PMPM	

Q4 2024

YOY % Change

<b>\$258.28</b> Plan Paid PMPM SHBP Actives		<b>21.3%</b> SHBP Actives	
<b>\$351.82</b> Plan Paid PMPM SHBP Early Retirees		<b>19.2%</b> SHBP Early Retirees	
<b>\$736.11</b> Plan Paid PMPM SHBP EGWP Retirees		<b>13.3%</b> SHBP EGWP Retirees	
<b>\$256.33</b> State Active PMPM	<b>\$262.74</b> LG Active PMPM	<b>20.5%</b> State Active	<b>23.5%</b> LG Active
<b>\$357.66</b> State ER PMPM	<b>\$345.59</b> LG ER PMPM	<b>19.3%</b> State ER	<b>19.0%</b> LG ER
<b>\$730.69</b> State EGWP PMPM	<b>\$746.86</b> LG EGWP PMPM	<b>13.1%</b> State EGWP	<b>13.9%</b> LG EGWP



**Optum** Rx<sup>®</sup>

**Thank you**