

HHS Announces Medicare Price Negotiations for 15 Drugs, Including Ozempic

The U.S. Department of Health and Human Services (HHS) [selected](#) 15 additional drugs subject to Medicare Part D price negotiations. Drug companies with a selected drug will have until Feb. 28 to decide whether to participate in negotiations; then, negotiations will continue through 2025. Medicare concluded the first round of negotiations for 10 drugs last August.

Under the Inflation Reduction Act, the Medicare Drug Price Negotiation Program allows the government to negotiate directly with drug manufacturers to improve access to some of the costliest brand-name drugs. The following 15 drugs were selected for the second cycle of Medicare Part D negotiations:

1. **Ozempic/Rybelsus/Wegovy**, for treating Type 2 diabetes and cardiovascular disease and promoting weight loss
2. **Trelegy Eliipta**, for treating chronic obstructive pulmonary disease (COPD) and asthma
3. **Xtandi**, for treating prostate cancer
4. **Pomalyst**, for treating multiple myeloma and Kaposi sarcoma
5. **Ibrance**, for treating breast cancer
6. **Ofev**, for treating idiopathic pulmonary fibrosis
7. **Linzess**, for treating irritable bowel syndrome (IBS) with constipation and chronic idiopathic constipation
8. **Calquence**, for treating mantle cell lymphoma and chronic lymphocytic

- leukemia or small lymphocytic lymphoma
9. **Austedo/Austedo XR**, for treating chorea in Huntington's disease or tardive dyskinesia
10. **Breo Eliipta**, for treating COPD and asthma
11. **Tradjenta**, for treating Type 2 diabetes
12. **Xifaxan**, for preventing hepatic encephalopathy and treating IBS with diarrhea
13. **Vraylar**, for treating bipolar I disorder, major depressive disorder and schizophrenia
14. **Janumet/Janumet XR**, for Type 2 diabetes
15. **Otezla**, for treating oral ulcers, plaque psoriasis and psoriatic arthritis

Between November 2023 and October 2024, about 5.3 million people with Medicare Part D coverage used these drugs to treat various conditions.

What's Next?

The Medicare Drug Price Negotiation Program aims to lower out-of-pocket costs for millions of seniors and offer savings for taxpayers. The first cycle of negotiated prices is effective Jan. 1, 2026. In accordance with the final guidance for the second cycle of the program, manufacturers of selected drugs have until Feb. 28, 2025, to confirm participation. As the Inflation Reduction Act requires, Medicare will select up to 15 more drugs covered by Part B or Part D in 2028 and up to 20 more drugs each year after that.

Employers should continue to monitor health care trends, utilization, costs and spending. Contact us today for more information.