



A prescription for easing the pain of pharmacy care costs

Discover strategies designed to help employers manage their pharmacy trend and reduce members' out-of-pocket medication costs.



Pharmacy costs continue to rise year after year, and the pace is accelerating.

- Prescription drug spending among employers with 500 or more employees rose 9.4% on average in 2025, well above the rate of inflation and wage growth¹
- Pharmacy out-of-pocket costs are up 14.8%, year over year for the average person²
- Prescription drug costs are forecast to climb 11.5% in 2027³

Unfortunately, rising prescription prices have real consequences. A recent poll found that about 2 in 5 adults have not taken their medication as prescribed in the past year due to cost, including 27% who skipped filling a prescription altogether.⁴

“Pharmacy is no longer a standalone benefit. It impacts the total cost of care,” says Susan Maddux, chief pharmacy officer for UnitedHealthcare Employer & Individual. “If I think about when I started, pharmacy probably made up about 5% of the spend. Now for some customers, it’s up to a quarter of the spend, so it’s important to understand how drug costs under the pharmacy benefit impact the total cost of care and what could potentially be done differently.”

Forces driving pharmacy costs upward

Rising utilization of high-cost specialty drugs and gene therapies, increasing demand for GLP-1s for weight management, and a lack of pricing transparency are all contributing to skyrocketing pharmacy costs.

Rising utilization of specialty drugs and gene therapies

Specialty drugs, which are used to treat **chronic conditions** or those that are complex or rare, and gene therapies, which are used to prevent, treat or cure genetic conditions, may help improve health outcomes. But many of these treatments are also unsustainably expensive. According to the **UnitedHealthcare 2026 Health Trends Report**, specialty medications made up roughly 2% of pharmacy volume in 2025 yet accounted for about 55% of total pharmacy spending.⁵

27%

of adults said that they skipped filling a prescription due to cost⁴

The most expensive areas of pharmacy spending in 2025⁶

	Net spend in 2025	Spending growth in 2025
Oncology	\$143B	↑ 12%
Immunology	\$84B	↑ 12%
Neurology	\$60B	↑ 9%
Diabetes	\$51B	↑ 13%
Hematology	\$31B	↑ 5%

Increasing demand for GLP-1s

GLP-1s, used to manage **diabetes** and **obesity**, are among the fastest-growing drivers of employer pharmacy costs and are even showing up within their medical spending due to the side effects they may cause. According to a recent report, GLP-1 drugs' share of employers' annual claims more than doubled, from 6.9% in 2023 to 11.4% in 2026, while list prices exceed \$1,000 per month.⁷

The pressure is widespread, with nearly 8 in 10 employers saying GLP-1s are driving increases in their health care costs, according to a survey of large employers.⁸ And since about 40% of U.S. adults are living with obesity, utilization – and the costs associated with it – are expected to keep climbing.⁹

“Obesity is the apex predator of human health and well-being, and has become the #1 health risk in this nation,” says Dr. Rhonda Randall, chief medical officer for UnitedHealthcare Employer & Individual.

Lack of transparency

A lack of transparency in pharmacy benefits is also quietly driving costs higher for employers and their employees. When drug prices, fees and rebates aren't visible, employers can't effectively manage their pharmacy spend. They can't manage what they can't see – and their employees can't make informed decisions about their treatments. For instance, nearly half of patients say they don't know where to turn for reliable prescription cost information.¹⁰ And that's an issue, because when people can't see or predict their pharmacy costs, they may delay care or skip medications. These actions may negatively affect their health and drive up costs over the long term.

“The number of gene therapy drugs is increasing, and with each new drug, the likelihood of encountering a high-cost claim rises. Employers are now considering how to handle these situations in a cost-effective manner.”

Katy Curry-Lorusso
Vice President of Health Care Economics
UnitedHealthcare Employer & Individual



Strategies that help manage costs

1 Integrate medical and pharmacy benefits

Better treatment decisions are more likely when an employee's **medical and pharmacy benefits are integrated**.

"Integration is very important in our minds," Maddux says. "It ensures the right prescription drugs are covered through tools like prior authorization, preferred product review, step therapy and strategic exclusion."

Consider, Maddux offers, an example of treatment for neuromyelitis optica spectrum disorder (NMOSD):

- A self-administered injection covered under the pharmacy benefit may cost \$26K per month, while infusions administered in a provider's office under the medical benefit may cost just \$2.6K – a tenfold difference
- With separate carriers, an employee may end up with the \$26K option simply because their carrier and PBM aren't synced on how to manage treatments that span both benefits

Integrated benefits also work to streamline care coordination, reducing the chance for duplicate therapies and unnecessary procedures. Additionally, when benefits are integrated, UnitedHealthcare members can receive Proactive Savings Alerts when a potentially more appropriate, lower-cost alternative is available.

"If you integrate your medical and pharmacy benefits under one carrier, you are more likely to end up with a better cost

outcome than if you didn't," Maddux reinforces.

Part of that process includes screening every new specialty drug through a rigorous clinical review to ensure it is safe, effective and delivers value. The review includes an assessment of whether a less expensive prescription or different administration method can treat the same condition and deliver similar outcomes.

Treatment costs per month for NMOSD

Self-administered injection

\$26k

Provider injection

\$2.6k

↑ 10x higher monthly cost

2 Work with a carrier that advocates on behalf of employers and members

Choosing a carrier that negotiates prices with drug manufacturers, advocates for beneficial government policies, advises employers on drug coverage and provides information to both providers and members to support informed decision-making is key to managing pharmacy costs.

"At UnitedHealthcare, we recognize that the cost of care – specifically in the pharmacy space – is unsustainable, and that's why we are in constant conversation with drug manufacturers and the government to help make the cost of care more affordable for our members and our clients," Maddux says.

UnitedHealthcare also meets regularly with brokers, consultants and employers to offer strategic support. "Our account and client management teams often ask me to join meetings to showcase what we're seeing in claims data, and the focus is oftentimes on pharmacy costs," says Craig Kurtzweil, chief data and analytics officer for UnitedHealthcare Employer & Individual. "That data conversation enables more strategic discussions about what employers can do – or what others have done – to better manage that spend."

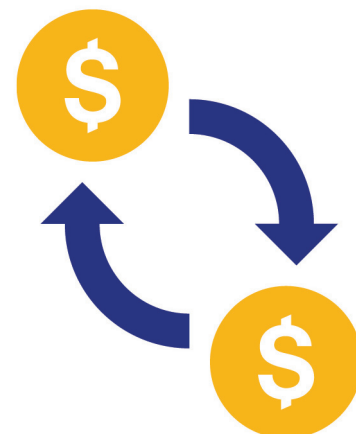
For instance, after reviewing claims data, UnitedHealthcare might recommend adjusting an employer's **biosimilar drug strategy**, purchasing **stop loss insurance**, or leveraging Cell, Gene and Molecular Therapy (CGMT) Centers of Excellence (COE) to help manage the cost and quality of these advanced treatments.

Because providers prescribe these drugs and treatments, it's essential they have the information to recommend appropriate, cost-effective care. With Point of Care Assist® from Optum, a member's cost and coverage information is embedded into a provider's electronic medical record. PreCheck MyScript® from Optum can also alert the provider when a lower-cost alternative exists, such as a generic equivalent, which has helped save members an average of \$110 per prescription¹¹ and employers an average of \$295 per switch.¹²

The UnitedHealthcare Cancer Guidance Program also uses evidence-based treatment, utilization management and analytics to help oncologists find quality, cost-efficient cancer treatment regimens and obtain faster prior authorizations.

For members, UnitedHealthcare and Optum Rx® have also taken several steps to reduce costs and support informed health care choices, including:

- Eliminating all out-of-pocket costs for 5 vital medications – including insulin – for eligible members
- Alerting members through the **UnitedHealthcare® app** or **myuhc.com®** when a lower-cost medication alternative is available with Proactive Savings Alerts



3 Consider how a carrier is prioritizing transparency

Employers should also consider working with a carrier that is creating greater **transparency within the pharmacy benefits experience**. This includes offering clear visibility into fees, rebates and cost drivers through market-based visible pricing, rebate pass-through availability and flexible administrative fee structures – rather than pricing tied to list prices, volume and rebates with only partial disclosure.

“Customers need all the right information in order to make sure the decisions they’re making are appropriate,” Maddux adds.

Beyond pricing, employers may want to consider a carrier that connects medical and pharmacy data to support earlier action and better cross-benefit drug management. The carrier should also help members understand cost and coverage before and at the point of care and ground clinical decisions in evidence supported by transparent governance. This approach helps manage the total cost of care, not just the pharmacy unit price.

As Jon Mahrt, chief executive officer of Optum Rx and chief growth officer for Optum, says: “This is about trust and alignment. When pricing is detached from drug costs and volume, every decision we make is focused on what matters most – affordability, access and outcomes for the people we serve.”

Examples include Price Edge, a tool that lets members search and compare prices for generic drugs to ensure the most competitive price, and Shop MyScript, a digital tool from Optum Rx that notifies patients right after a doctor writes a prescription – giving them real-time details on drug prices, pharmacy choices and delivery options.

“Transparency isn’t a feature we add at the end — it’s how we design the benefit from the start, so members know the price before they pick up the prescription and never overpay for the care they need.”

Susan Maddux

Chief Pharmacy Officer
UnitedHealthcare Employer & Individual

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¹ Watts, Tracy and Umland, Beth. Employers are challenged to keep healthcare affordable as costs soar: Survey results. Mercer, Nov. 17, 2025. Available: <https://www.mercer.com/en-us/insights/us-health-news/employers-are-challenged-to-keep-healthcare-affordable-as-costs-soar-survey-results/>. Accessed Aug. 19, 2026.

² Bell, D., Clarkson, J., et al. 2026 Milliman Medical Index. Milliman, May 20, 2026. Available: <https://www.milliman.com/en/insight/2026-milliman-medical-index>. Accessed Aug. 19, 2026.

³ What Are the Projected Health Plan Cost Trends for 2027? Segal, July 23, 2026. Available: <https://www.segalco.com/consulting-insights/2027-health-plan-cost-trend-survey/>. Accessed Aug. 19, 2026.

⁴ Sparks, G., Lopes, L., et al. Americans' Challenges With Health Care Costs. KFF, Apr. 30, 2026. Available: <https://www.kff.org/health-costs/americans-challenges-with-health-care-costs/>. Accessed Sept. 9, 2026.

⁵ UnitedHealthcare 2026 Health Trends Report. UnitedHealthcare Employer & Individual self-funded and fully insured data based on claims incurred between Nov. 2024-Oct. 2025, paid through Jan. 2026. Available: <https://www.uhc.com/employer/news-strategies/annual-health-trends-report>.

⁶ Behind the numbers 2027: Medical cost trend is about to hit 9%, highest in 17 years. Can cost management strategies bend the trend? PwC, June 11, 2026. Available: <https://www.pwc.com/us/en/industries/health-industries/library/behind-the-numbers.html>. Accessed Aug. 19, 2026.

⁷ GLP-1 Drugs Survey Report: What Employers Are – and Aren't – Covering in 2026. IFEBP, July 2026. Available: <https://blog.ifebp.org/glp-1-drugs-survey-report-what-employers-are-and-arent-covering-in-2026/>. Accessed Sept. 29, 2026.

⁸ GLP-1 Costs Loom Large for Employers, Forcing Challenging Coverage Decisions. Business Group on Health. Available: <https://www.businessgrouphealth.org/newsroom/news-and-press-releases/press-releases/2026-glp-1-survey>. Accessed Aug. 19, 2026.

⁹ Obesity and Severe Obesity Prevalence in Adults: United States, Aug. 2021-Aug. 2023. Centers for Disease Control and Prevention, Sept. 24, 2024. Available: <https://www.cdc.gov/nchs/products/databriefs/db508.htm>. Accessed Aug. 19, 2026.

¹⁰ New Surescripts Survey Results: More Than Half of Patients Hit Roadblocks Accessing Their Prescriptions. Surescripts, June 16, 2026. Available: <https://surescripts.com/press-releases/new-surescripts-survey-results-more-half-patients-hit-roadblocks-accessing-their-prescriptions>. Accessed Aug. 9, 2026.

¹¹ UnitedHealthcare. Internal analytics. 2025.

¹² UnitedHealthcare internal analysis of 2020-2024 Fully Insured data. Does not include additional savings from biosimilars and preferred products. Savings may vary.

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