MASSACHUSETTS
HEALTH POLICY COMMISSION

HPC Board Meeting

September 17, 2026

Agenda

UP NEXT: Call to Order

Approval of Minutes **(VOTE)**

Recent Market Transactions

Office of Pharmaceutical Policy and Analysis *Annual Report* Preview: Trends in GLP-1 Drugs

Healey-Driscoll Administration Health Care Affordability Working Group: Mid-Year Recommendations

Executive Director's Report

Executive Session **(VOTE)**

Adjourn

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Approval of Minutes from the July 23, 2026, Board Meeting

MOTION

That the Commission hereby approves the minutes of the Commission meeting held on **July 23, 2026**, as presented.

Agenda

Call to Order

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Material Change Notices

4	MCNs currently open
30	MCNs received since 1/1/26
45	MCNs received since 4/8/2025 (Ch. 343 eff. date)
20	MCNs involving Significant Equity Investors, with 13 involving private equity or PE-backed provider entities
1	MCN involving a significant expansion of provider capacity
1	MCN involving a sale leaseback arrangement

Transactions HPC Elected Not to Proceed

- Falcon Hospice – CenterWell Health Services – BlackRock – Clayton, Dublier & Rice
- Baystate Health – Mercy Medical Center
- Northeast Health Services – Shore Capital Partners
- Tufts Medical Center – Sturdy Memorial Hospital
- Bournewood Hospital – GWW Holdings 1
- BayMark Health Services
- Headspace – Sword Health Technologies
- Included Health – Firefly Health
- PANTHERx Specialty – Warburg Pincus
- Children's Medical Center Corporation

Summary of HPC Analysis of Baystate-Mercy

- Under this transaction, **Baystate Health (Baystate)** would acquire **Mercy Medical Center (Mercy)**, its medical groups, the Mercy Health Accountable Care Organization, and Life Laboratories, and acquire Mercy's interest in two joint venture imaging providers. The parties have publicly stated that "Mercy Medical Center is facing significant challenges and financial pressures," and that the acquisition "ensures that Mercy Medical Center remains a reliable cornerstone of healthcare for the community."
- Mercy's acquisition by Baystate would significantly increase inpatient market concentration in the hospitals' service areas. However, evidence reviewed by HPC suggests that Mercy is not likely to remain a competitor of Baystate if the transaction did not move forward.
- Mercy commercial rates are not uniformly lower than those of Baystate hospitals, making "catch up" rate increases for Mercy less likely. Baycare's physician prices are lower on average than Mercy's physician prices, making "automatic" rate increases for Mercy physicians unlikely.
- Baystate's acquisition of Mercy may allow for continued maintenance of access.
  - The HPC's analysis of Baystate's financial position and plans found that it is reasonably possible that Baystate will support services at Mercy without excessive risk to its own finances.
  - Baystate has stated an intention to maintain services at Mercy and make use of currently unstaffed capacity. If Mercy were to close instead of being acquired, access to care, especially emergency care, would likely be degraded given Baystate's current inability to absorb all of Mercy's volume and the lack of alternative hospitals in the area.

Summary of Determination of Need (DoN) Conditions and Reporting Approved by the Public Health Council September 9, 2026

- Baystate will maintain all essential services operating at Mercy for a minimum of 5 years.
- Baystate must inform DoN of any anticipated material or prolonged reduction of any essential service at Mercy and the rationale for such reduction, including: An analysis of recent utilization patterns; budgeted and actual staffing of the services; a data-supported assessment of community need; and a justification for the reduction, including alternatives considered and alternative access sites.
- Within one year of the transaction, Baystate will provide an initial assessment of its operations and service lines and an integration plan with benchmarks for incorporating Mercy into its operations.
- Baystate will make good faith efforts to participate in the same insurance plans as Mercy, at the same or lower rates through the end of the applicable payer contract period. The parties also made this commitment to the HPC during the HPC's preliminary review. If Baystate increases rates or no longer participates in the same plans, it will have an opportunity to justify the changes to DPH.
- Baystate will report data including: Mercy, Baystate Medical Center, and other Baystate facilities' number of licensed med/surg beds, staffed beds, and admissions; the hospitals' ED boarding times, left without being seen rate, capacity percentage, and use of specialty services; patient satisfaction and other hospital quality measures; and staffing levels.

DPH Amended Staff Report to the Public Health Council For a Determination of Need (Aug. 7, 2026), *available at* https://www.mass.gov/doc/amended-staff-report-1/download.

Open Transactions Currently Under Review

- Dana Farber Cancer Institute – Merrimack Health Methuen Hospital
- American Outcomes Management – PromptCare Infusion Buyer
- AnewHealth – Linden Capital Partners– Nautic Partners
- Smile Doctors – Goggans Dental Associates of Massachusetts – Orthodontic Specialists of Southeastern Massachusetts

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The HPC's Office of Pharmaceutical Policy and Analysis (OPPA)

- Chapter 342 of the Acts of 2024 established a new **Office of Pharmaceutical Policy and Analysis (OPPA)** within the HPC.

- OPPA's key responsibilities and authorities include:
  - Analyzing **pharmaceutical spending data and information**.
  - Developing **reports on trends related to access, affordability, and spending on pharmaceutical drugs** in the Commonwealth.
  - Advising the **state legislature and state agencies** on matters related to **pharmaceutical drug policy**.
- OPPA also manages the **Drug Pricing Review Program**, which supports MassHealth in its price negotiations with drug manufacturers.

Office of Pharmaceutical Policy and Analysis

UP NEXT: Office of Pharmaceutical Policy and Analysis (OPPA) Focus to Date

OPPA Annual Report – GLP-1 Updates: Declining Coverage in an Evolving Market

- The Evolving GLP-1 Market
- Spending, Utilization, and Price Trends in Massachusetts
- State and Federal Initiatives to Improve Affordability

Office of Pharmaceutical Policy and Analysis (OPPA) Focus to Date

Strategic Planning and Operations

- Defining goals and objectives
- Developing research agenda and workplans
- Building staff capacity
- Acquiring data assets
- Procuring expert consultants
- Reviewing academic literature and state laws relating to drug policy

Stakeholder Engagement

- Engaging with market participants representing
  - Drug manufacturers
  - Payers
  - Pharmacies
  - PBMs
  - Providers
  - Patients
- Collaborating with Massachusetts agencies and agencies in other states involved in drug policy

Selected Projects

- OPPA's Annual Report
  - Sec. 1. Massachusetts Pharmaceutical Spending, Utilization, and Price Trends
  - Sec. 2. GLP-1 Updates: Declining Coverage in an Evolving Market

  Preliminary findings presented at HPC Board meeting on September 17, 2026
- Health Care Affordability Working Group
  - Research support for Low-Value Care and Reduce Prescription Drug Costs subcommittees
- Evaluating the Effects of MassHealth Managed Care Pharmacy Benefit Reforms

Office of Pharmaceutical Policy and Analysis

Office of Pharmaceutical Policy and Analysis (OPPA) Focus to Date

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The GLP-1 Market: A Current Snapshot

- **Indications.** Glucagon-like peptide-1 (GLP-1) agonists are primarily used for **type 2 diabetes** (diabetes) and **weight loss**
  - Some GLP-1s also approved for cardiovascular risk, MASH (metabolic liver disease), and sleep apnea
- **Prevalence in Massachusetts adults.** Diabetes (all) = 9.6%; Obesity (body mass index ≥ 30.0) = 27%[1]
  - Diabetes (all) prevalence by race/ethnicity: Asian: 7.3%; Black: 12.5%; Hispanic or Latine: 11.5%; White: 9.0%; Other & Multiracial: 12.4%
  - Obesity prevalence by race/ethnicity: Asian: 12.4%; Black: 36.1%; Hispanic or Latine: 33.0%; White: 26.8%; Other & Multiracial: 25.5%
- **Evidence.** Newer GLP-1 drugs for weight loss (Wegovy and Zepbound) have greater efficacy than older GLP-1 drugs
  - Average weight loss of ~10% to 20% in clinical trials;[2] real-world study results are slightly lower[3]
- **Blockbuster GLP-1s.** Four GLP-1 drugs from **Novo Nordisk** and **Eli Lilly** have generated significant sales since launch and currently account for **95% of GLP-1 prescriptions** in the **Massachusetts commercial market**

	GLP-1 Drugs (Launch Year)		Net Sales since Launch[4]	
	Diabetes	**Weight Loss**	**Massachusetts Commercial Market**	**US Market – All Payers**
Novo Nordisk	Ozempic (2017)	Wegovy (2021)	$1.0 billion	$72.4 billion
Eli Lilly	Mounjaro (2022)	Zepbound (2023)	$1.0 billion	$54.8 billion
Total			**$2.0 billion**	**$127.1 billion**

Notes: 1. Massachusetts Department of Public Health. A profile of health among Massachusetts adults, 2024: Results from the Behavioral Risk Factor Surveillance System. March 2026. https://www.mass.gov/lists/brfss-statewide-reports-and-publications#2024-, at 24, 34; CDC. Diabetes Basics. Jan. 2, 2026. https://www.cdc.gov/diabetes/about/index.html (noting type 2 diabetes accounts for 90% to 95% of reported cases). 2. Lin GA, et al. Semaglutide and tirzepatide for obesity: Effectiveness and value. Institute for Clinical and Economic Review. October 29, 2025. https://icer.org/wp-content/uploads/2025/10/ ICER_Obesity_Evidence-Report_For-Publication_102925.pdf, at ES1. 3. Thomsen RW, et al. Real-world evidence on the utilization, clinical and comparative effectiveness, and adverse effects of newer GLP-1RA-based weight-loss therapies. Diabetes Obes Metab. 2025;27 (Suppl 2):66–88. 4. Massachusetts commercial market: HPC analysis of Center for Health Information and Analysis Enhanced All-Payer Claims Database, 2026, and US Brand Rx Net Pricing Tool, SSR Health LLC; U.S market: HPC analysis of US Brand Rx Net Pricing Tool, SSR Health LLC.

Office of Pharmaceutical Policy and Analysis

OPPA Updates

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Expanding Uses and a Growing Pipeline of GLP-1 Drugs

Expanding Uses

- Early evidence from ongoing research suggests potential benefits for a range of new indications.
  - For example, osteoarthritis, neurodegenerative disease, inflammatory bowel disease, and cancer[1]

Pipeline of GLP-1 Drugs

- **Recent new entries.** Oral GLP-1s for weight loss (Wegovy and Foundayo) launched in Q1 and Q2 of 2026
- **Brands.** 39 new GLP-1 drugs are in development from 34 companies[2]
  - **12** expected to **launch by 2030**[3]
- **Generics.** Liraglutide (an older GLP-1) launched in 2025
  - Blockbuster GLP-1s Ozempic, Wegovy, Mounjaro, and Zepbound are **patent protected until 2041**[4]
  - By contrast, generic Ozempic and Wegovy launched in Canada and other international markets in 2026[5]

Notes: 1. Gonzalez-Rellan MJ, Drucker DJ. The expanding benefits of GLP-1 medicines. Cell Reports Medicine. 2025;6(7):102214. https://www.sciencedirect.com/science/article/pii/S2666379125002873. 2. Ozmosi. Market overview: GLP-1 agonists and the obesity market. Dec. 16, 2025. https://www.ozmosi.com/market-overview-glp-1-agonists-and-the-obesity-market. 3. Tabatabai MK, Kerzic C, Kjesbo N. GLP-1 pipeline update. Prime Therapeutics. May 22, 2026. https://www.primetherapeutics.com/glp-1-pipeline-update-may-2026. 4. U.S. Food and Drug Administration. Approved Drug Products with Therapeutic Equivalence Evaluations. 2026. https://www.fda.gov/drugs/drug-approvals-and-databases/approved-drug-products-therapeutic-equivalence-evaluations-orange-book; Tu S, Kesselheim A, Tadrous M, Beall R. Early generic semaglutide in Canada—Implications for US patients and policy. JAMA Internal Medicine. 2026;186:921-2. https://jamanetwork.com/journals/jamainternalmedicine/fullarticle/2850103. 5. Health Canada. Canada becomes the first G7 country to approve a generic version of semaglutide. April 28, 2026; Salve P, Ohlen E. India is launching cheap weight-loss drugs - but Novo Nordisk is betting its brands will stay on top. CNBC. 2026. https://www.cnbc.com/2026/03/23/novo-nordisk-cheap-weight-loss-drugs-india-generic-ozempic-wegovy-semaglutide.html.

Recent Trends in Coverage and Access for GLP-1 Drugs for Weight Loss

Coverage Trends

- **Discontinued coverage.** In 2026, several plans discontinued coverage of GLP-1 drugs for weight loss for many of their members, including BCBS of Massachusetts, Point32, and Mass General Brigham Health Plan[1]
  - GIC (state employees) and MassHealth also discontinued coverage of GLP-1 drugs for weight loss in 2026
- **More restrictive utilization management requirements.** Some plans have started requiring patients to participate in weight management programs as a condition of covering GLP-1s for weight loss[2]

Direct-to-Consumer Trends

- Nationally, 1 in 6 adults obtain GLP-1 drugs through online direct-to-consumer ("DTC") channels[3]
- **Initial rise in compounded GLP-1s** while drugs were on the FDA shortage list between 2022 and 2025[4]
- **Increased DTC of branded GLP-1s**
  - **Telehealth providers** such as *Hims & Hers, Ro, and Sesame* have shifted to offering branded GLP-1s
  - **Manufacturer DTC.** Novo Nordisk and Eli Lilly launched their own DTC pharmacies in 2024[5]
  - **Self-pay** now accounts for 35% of Novo Nordisk's Wegovy sales and 45% of Eli Lilly's Zepbound prescriptions[6]
- **New direct-to-employer programs** allow employers to contract with a program administrator to purchase GLP-1 drugs directly from manufacturers; these programs are expected to grow among large employers[7]

Notes: 1. Weisman RN, Nickerson S. Blue Cross Blue Shield will stop covering popular weight-loss drugs amid surging costs. Boston Globe. Apr. 17, 2025; Gerber D. Tufts Health Plan, Harvard Pilgrim owner to limit coverage of weight-loss drugs. Boston Globe. May 14, 2025. 2. Point32 Health. Reminder: weight loss medication coverage update. Dec. 2025. https://www.point32health.org/provider/reminder-weight-loss-medication-coverage-update-122025; OmadaHealth. Enrolling in Omada for GLP1 coverage through CVS Caremark. 3. Palosky C. Poll: 1 in 8 adults say they are currently taking a glp-1 drug for weight loss, diabetes or another condition, even as half say the drugs are difficult to afford. KFF. Nov. 14, 2025. 4. U.S. Food and Drug Administration. FDA clarifies policies for compounders as national GLP-1 supply begins to stabilize. Apr. 1, 2026. https://www.fda.gov/drugs/drug-alerts-and-statements/fda-clarifies-policies-compounders-national-glp-1-supply-begins-stabilize. 5. NovoCare: https://www.novocare.com; LillyDirect: https://www.lilly.com/lillydirect. 6. Novo Nordisk. Q2 2026 Earnings Call. Aug. 5, 2026; Eli Lilly. Q2 2026 Earnings Call. Aug. 5, 2026. 7. Bardoulas J, Czapar M. Lilly Employer Connect platform launches with over fifteen independent program administrators offering tailored obesity coverage options to expand access to patients. Mar. 5, 2026; Business Group on Health. 2027 Employer Healthcare Strategy Survey. Aug. 25, 2026. https://www.businessgrouphealth.org/resources/2027-employer-healthcare-strategy-survey-executive-summary.

Office of Pharmaceutical Policy and Analysis

OPPA Updates

OPPA Annual Report – GLP-1 Updates: Declining Coverage in an Evolving Market

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Data Sources and Methods

- **Spending, gross prices, utilization, and cost sharing data.** CHIA Enhanced All-Payer Claims Database, 2019 - Q1 2026
- **Population.** Commercially insured Massachusetts residents with full-year pharmacy coverage, age 12 - 64
- **GLP-1 drug products.** Identified using MicroMedex REDBOOK therapeutic class codes and product names
- **Manufacturer rebate and discount data used to estimate net spending.** US Brand Rx Net Pricing Tool from SSR Health, LLC

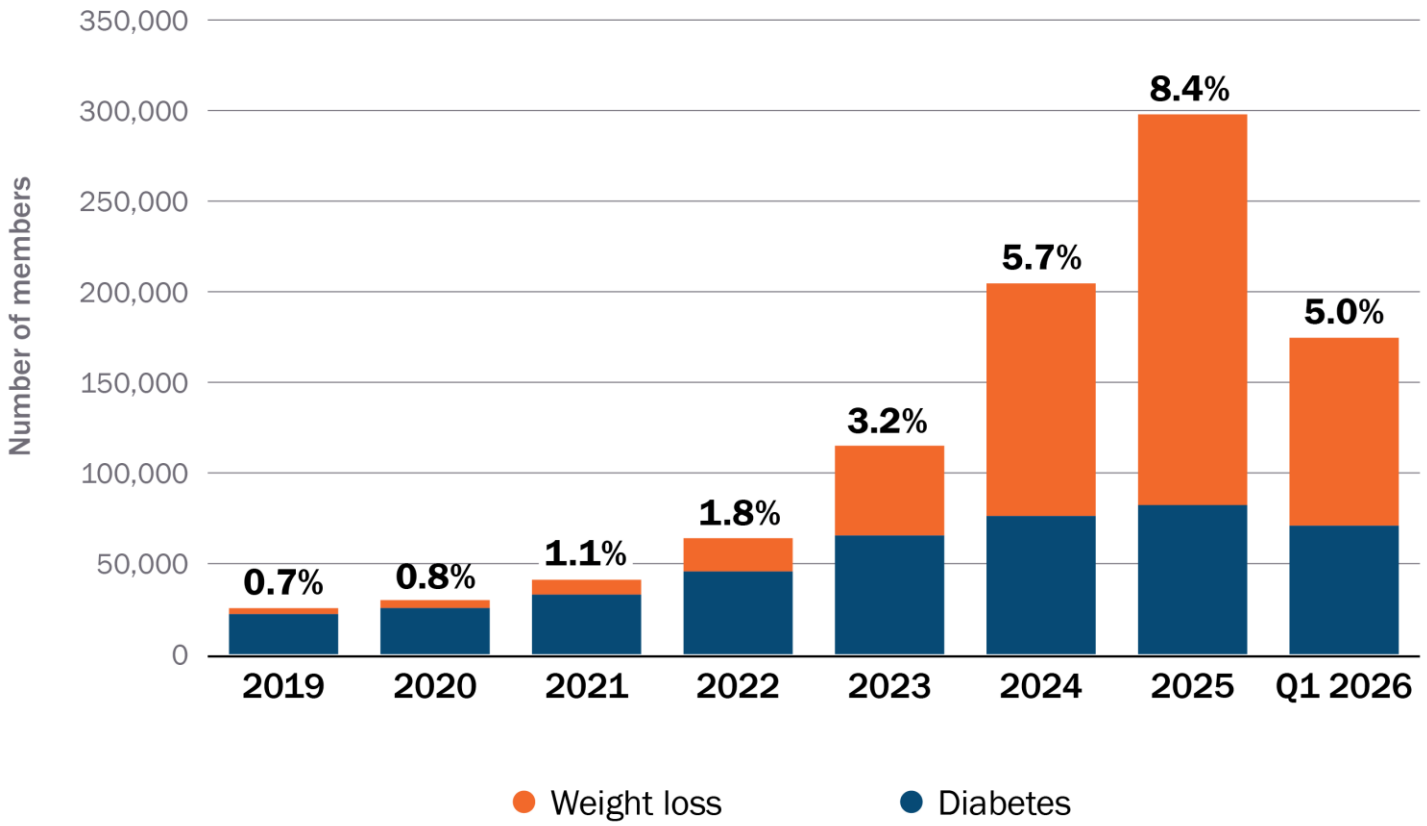
Products included in HPC analysis

Brand	Active Ingredient	Manufacturer	Launch
Type 2 diabetes			
Byetta	Exenatide	Astra Zeneca	2005
Victoza	Liraglutide	Novo Nordisk	2010
Bydureon	Exenatide	Astra Zeneca	2012
Trulicity	Dulaglutide	Eli Lilly	2014
Adlyxin	Lixisenatide	Sanofi	2016
Ozempic	Semaglutide	Novo Nordisk	2017
Rybelsus	Semaglutide	Novo Nordisk	2019
Mounjaro	Tirzepatide	Eli Lilly	2022
Generic	Liraglutide	Teva	2024
Weight loss			
Saxenda	Liraglutide	Novo Nordisk	2015
Wegovy (injectable)	Semaglutide	Novo Nordisk	2021
Zepbound	Tirzepatide	Eli Lilly	2023
Generic	Liraglutide	Teva	2025
Wegovy (oral)	Semaglutide	Novo Nordisk	2026

Notes: Foundayo (Eli Lilly) launched in April 2026 and is not included in analysis. Selected GLP-1 drugs are FDA-approved for additional indications, including cardiovascular risk reduction (Victoza, Mounjaro, Wegovy), metabolic liver disease (Wegovy), and sleep apnea (Zepbound). For more information on SSR Health data, see Ippolito B, Levy J. Best practices using SSR Health net drug pricing data. Health Affairs Forefront. 2022.

The number of commercially insured members using a GLP-1 drug for weight loss has increased significantly but declined in Q1 2026 as payers discontinued coverage.

Number of commercially insured members with at least one prescription for a GLP-1 drug by indication and percentage of total members, 2019 - Q1 2026

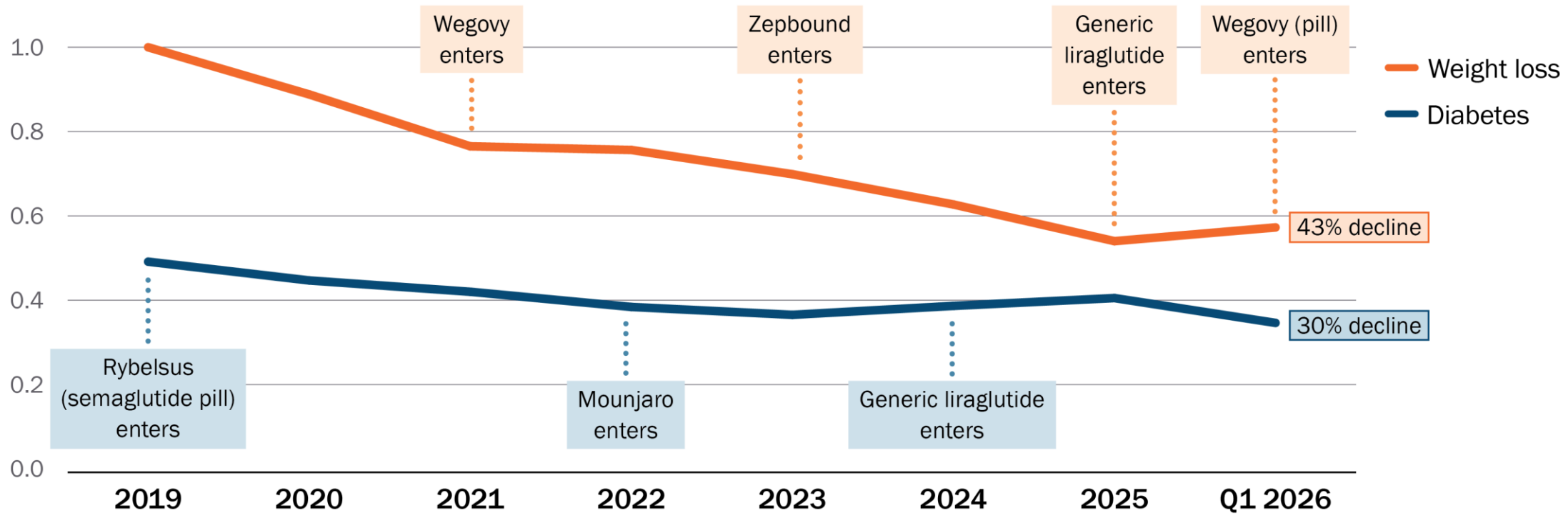


Notes: Reflects estimated net spending after rebates in the private, commercially insured population. Results extrapolated to the full commercial market. Drugs indicated for weight loss include Saxenda, Wegovy, and Zepbound. Drugs indicated for diabetes include Bydureon, Byetta, Mounjaro, Ozempic, Rybelsus, Trulicity, Victoza, and generic liraglutide. Selected GLP-1 drugs are FDA-approved for additional indications, including cardiovascular risk reduction (Victoza, Mounjaro, Wegovy), metabolic liver disease (Wegovy), and sleep apnea (Zepbound).
Sources: HPC analysis of Center for Health Information and Analysis Enhanced All-Payer Claims Database, 2026; Center for Health Information and Analysis Health Insurance Enrollment Trends Databooks, 2019-2025.

- In 2025, **nearly 300,000** commercially insured Massachusetts residents utilized a GLP-1 drug
- The number of members utilizing a **GLP-1 drug for weight loss** grew significantly from 3,300 in 2019 to 216,000 in 2025
- Between **2025** and **Q1 2026**, however, **112,000 fewer members** utilized a GLP-1 drug for weight loss – **a 52% decline**

Net prices of GLP-1 drugs have declined over the 2019 to Q1 2026 period as new drugs entered the market.

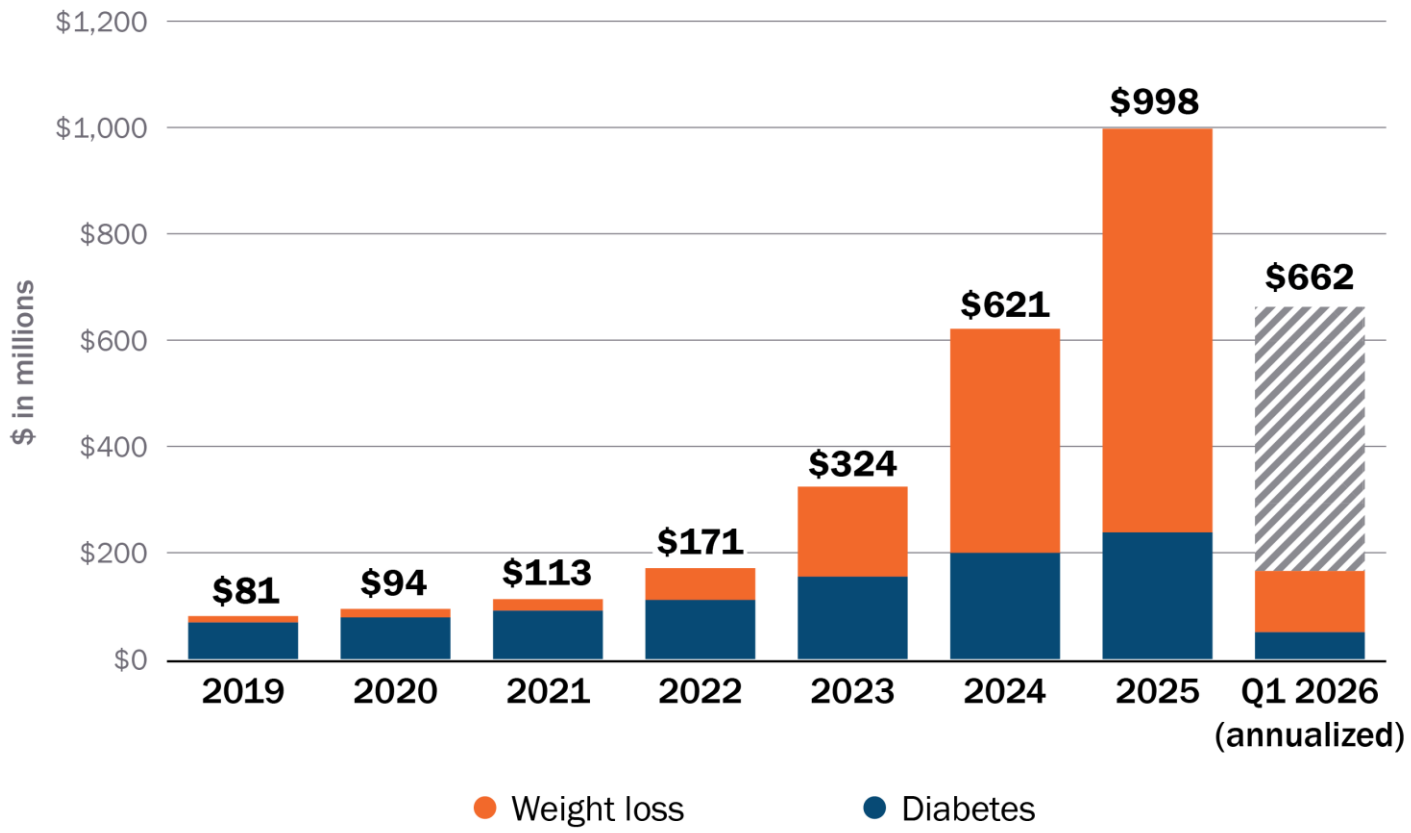
Indexed changes in net prices of GLP-1 drugs, weighted average by indication, 2019 - Q1 2026
(Index set to 1.0 for GLP-1 drugs for weight loss in 2019)



Notes: Prices calculated as net cost per 30-day supply. Drugs indicated for weight loss include Saxenda, Wegovy, Zepbound, and generic liraglutide. Drugs indicated for diabetes include Bydureon, Byetta, Mounjaro, Ozempic, Rybelsus, Trulicity, Victoza, and generic liraglutide. Selected GLP-1 drugs are FDA-approved for additional indications, including cardiovascular risk reduction (Victoza, Mounjaro, Wegovy), metabolic liver disease (Wegovy), and sleep apnea (Zepbound).
Sources: HPC analysis of Center for Health Information and Analysis Enhanced All-Payer Claims Database, 2026; US Brand Rx Net Pricing Tool, SSR Health LLC.

Net spending on GLP-1 drugs for commercially insured Massachusetts residents totaled nearly $1 billion in 2025.

Net spending by indication, 2019 - 2026 (annualized)



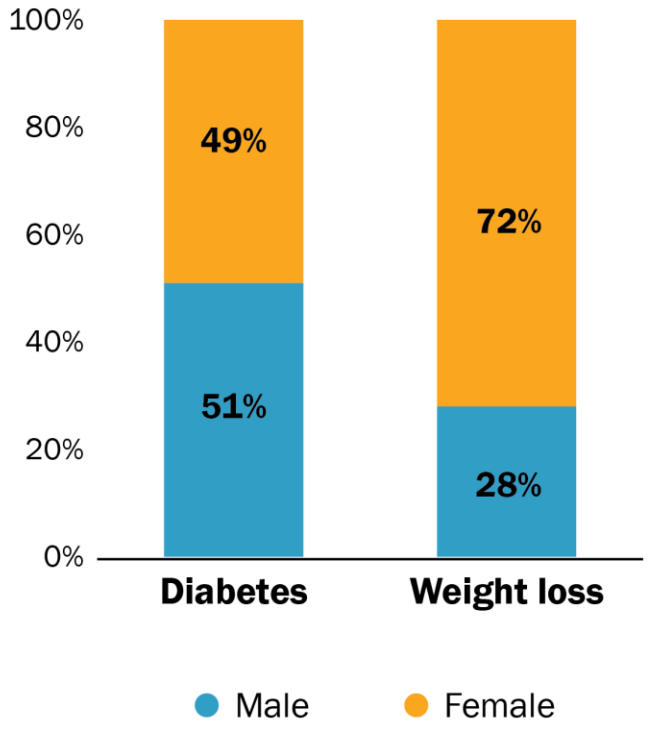
Notes: Reflects estimated net spending after rebates in the private, commercially insured population. Results extrapolated to the full commercial market. Drugs indicated for weight loss include Saxenda, Wegovy, Zepbound, and generic liraglutide. Drugs indicated for diabetes include Bydureon, Byetta, Mounjaro, Ozempic, Rybelsus, Trulicity, Victoza, and generic liraglutide. Selected GLP-1 drugs are FDA-approved for additional indications, including cardiovascular risk reduction (Victoza, Mounjaro, Wegovy), metabolic liver disease (Wegovy), and sleep apnea (Zepbound).
Sources: HPC analysis of Center for Health Information and Analysis Enhanced All-Payer Claims Database, 2026; Center for Health Information and Analysis Health Insurance Enrollment Trends Databooks, 2019-2025; US Brand Rx Net Pricing Tool, SSR Health LLC.

- Gross spending on GLP-1 drugs (before manufacturer rebates and discounts) reached over $2.3 billion in 2025
- Spending on GLP-1s drugs for weight loss grew at an **average annual rate of 99.5%** over the 2019-2025 period
- In 2025, roughly **three-quarters of spending** on GLP-1 drugs was for weight loss
- Spending in 2026 is expected to drop significantly, driven by lower utilization as coverage changed

Demographic characteristics of members who filled a prescription for a GLP-1 drug varied based on the drug's indication.

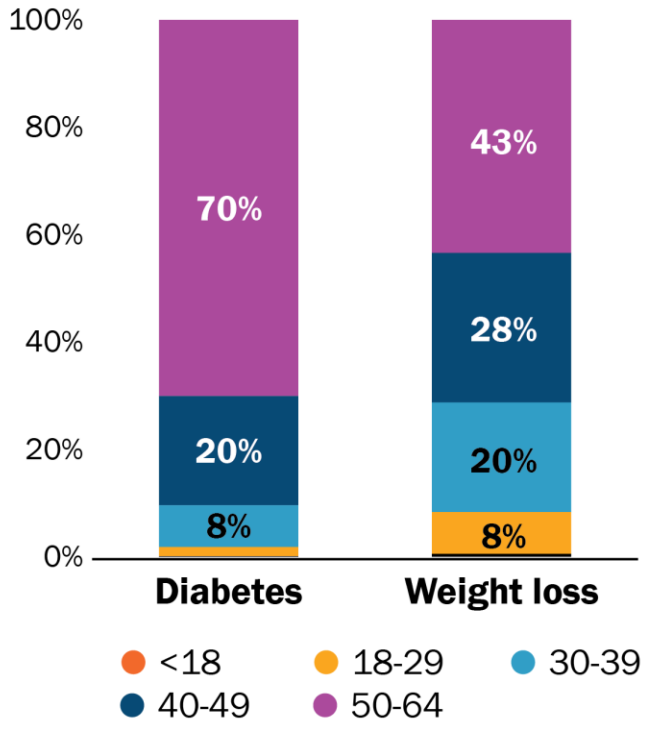
GENDER

Share of members utilizing a GLP-1 drug, by indication and gender, 2025



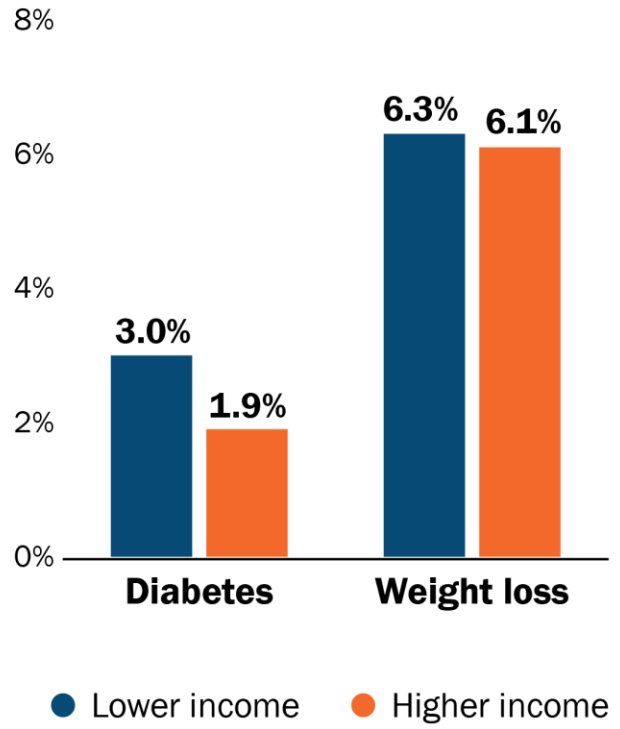
AGE

Share of members utilizing a GLP-1 drug, by indication and age, 2025



INCOME

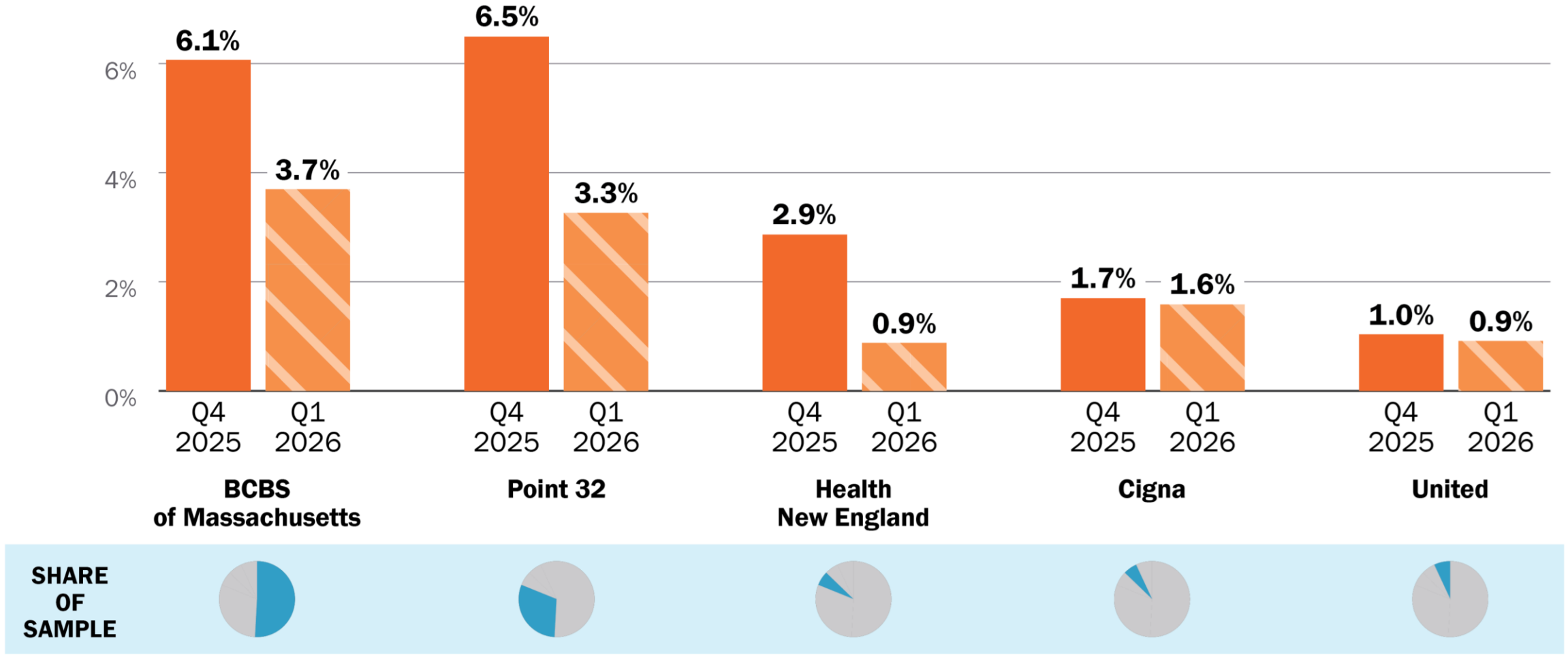
Share of members utilizing a GLP-1 drug, by indication and income of ZIP code, 2025



Notes: Lower income defined as ZIP codes with average incomes below the statewide median income; higher income defined as ZIP codes with average incomes are above the statewide median income. Drugs indicated for weight loss include Saxenda, Wegovy, and Zepbound. Drugs indicated for diabetes include Bydureon, Byetta, Mounjaro, Ozempic, Rybelsus, Trulicity, Victoza, and generic liraglutide. Selected GLP-1 drugs are FDA-approved for additional indications, including cardiovascular risk reduction (Victoza, Mounjaro, Wegovy), metabolic liver disease (Wegovy), and sleep apnea (Zepbound).
Sources: HPC analysis of Center for Health Information and Analysis Enhanced All-Payer Claims Database, 2026; HPC analysis of the American Community Survey 5-year Estimates, 2025.

Utilization of GLP-1 drugs for weight loss dropped in Q1 2026, though the magnitudes of decline varied across payers.

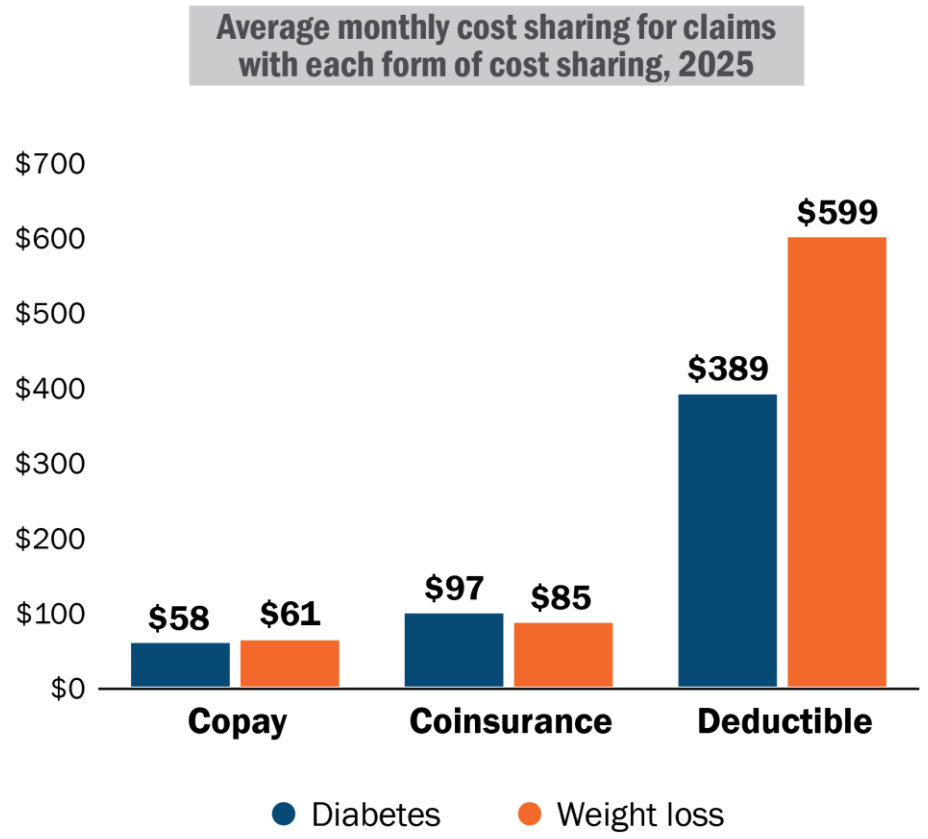
Proportion of members utilizing a GLP-1 drug for weight loss by payer, Q4 2025 vs. Q1 2026

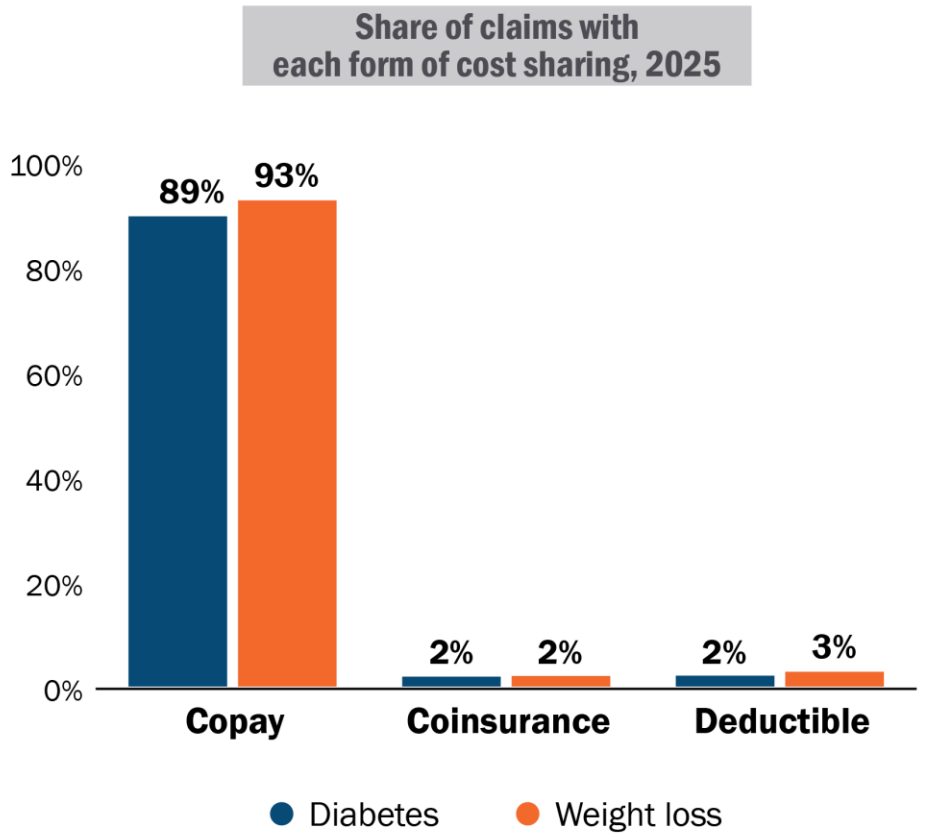


Notes: Sample includes fully insured members and may not be representative of coverage changes in the self-insured market. Drugs indicated for weight loss include Saxenda, Wegovy, and Zepbound. Selected GLP-1 drugs are FDA-approved for additional indications, including cardiovascular risk reduction (Wegovy), metabolic liver disease (Wegovy), and sleep apnea (Zepbound).
Source: HPC analysis of Center for Health Information and Analysis Enhanced All-Payer Claims Database, 2026.

Copays account for majority of patient cost sharing for GLP-1 drugs, which totaled $45.9 million for diabetes drugs and $136.3 million for weight loss drugs in 2025.

HPC





- In 2025, monthly cost sharing averaged $66 for GLP-1 drugs for diabetes and $78 for GLP-1 drugs for weight loss
- Cost sharing levels have generally remained stable over the past several years

Notes: Drugs indicated for weight loss include Saxenda, Wegovy, and Zepbound. Drugs indicated for diabetes include Bydureon, Byetta, Mounjaro, Ozempic, Rybelsus, Trulicity, Victoza, and generic liraglutide. Selected GLP-1 drugs are FDA-approved for additional indications, including cardiovascular risk reduction (Victoza, Mounjaro, Wegovy), metabolic liver disease (Wegovy), and sleep apnea (Zepbound).
Sources: HPC analysis of Center for Health Information and Analysis Enhanced All-Payer Claims Database, 2026.

Office of Pharmaceutical Policy and Analysis

OPPA Updates

OPPA Annual Report – GLP-1 Updates: Declining Coverage in an Evolving Market

- The Evolving GLP-1 Market
- Spending, Utilization, and Price Trends in Massachusetts
- **UP NEXT: State and Federal Initiatives to Improve Affordability**

Selected state and federal initiatives to improve GLP-1 affordability and access.

Medicare Maximum Fair Price[1]

- CMS negotiates Maximum Fair Prices (MFPs) on selected older, high-spending drugs that lack generic competition
- MFP prices apply to selected Medicare Part D drugs (all years) and selected Medicare Part B drugs (starting in 2028)
- MFP for Ozempic set at $274/month, effective January 2027
  - Also applies to Rybelsus (semaglutide pill) and Wegovy (for cardiovascular risk only)

Medicare GLP-1 Bridge[2]

- Administered by CMS, the program provides Part D members access to GLP-1 drugs for weight loss
- Limited demonstration program runs through 2027
- CMS negotiated price of $245/month for Wegovy, Zepbound, and Foundayo, effective July 2026
  - Members pay $50 copay; CMS pays $195

Maryland PDAB[3]

- Maryland's Prescription Drug Affordability Board (PDAB) assesses the affordability of drugs and may set upper payment limits ("UPLs") on drugs deemed unaffordable
  - To assess affordability, the PDAB may consider factors including clinical information, spending, utilization, therapeutic alternatives, patient cost sharing, and cost to health plans
  - A UPL is a price ceiling that limits how much may be paid for a drug
- UPL initially applies to state and local governments; it will cover all Maryland payers, effective January 2028
- The PDAB identified Ozempic as unaffordable and set UPL of $274/month, effective January 2027
  - UPL set based on Medicare Maximum Fair Price but other frameworks could have been used[4]
  - For example, international reference prices, cost effectiveness analysis, budget impact-based analysis

Notes: 1. CMS. Overview: Medicare Drug Price Negotiation Program. June 15, 2026. https://www.cms.gov/initiatives/medicare-prescription-drug-affordability/overview/medicare-drug-price-negotiation-program (drugs approved for at least 7 years (small molecules) or 11 years (biologics) with at least $200 million in Medicare spending are eligible). 2. CMS. Medicare GLP-1 Bridge. Jul. 13, 2026. https://www.cms.gov/medicare/coverage/prescription-drug-coverage/medicare-glp-1-bridge (covering all formulations of Wegovy and Foundayo and Zepbound KwikPens). 3. Mitchell V., et al. Ozempic (semaglutide) - Cost Review Study Report. Apr. 22, 2026. https://pdab.maryland.gov/media/1365. 4. Maryland PDAB. Ozempic Upper Payment Limit Framework. Jan. 26, 2026. https://pdab.maryland.gov/media/899.

GLP-1 Drug Price Comparisons

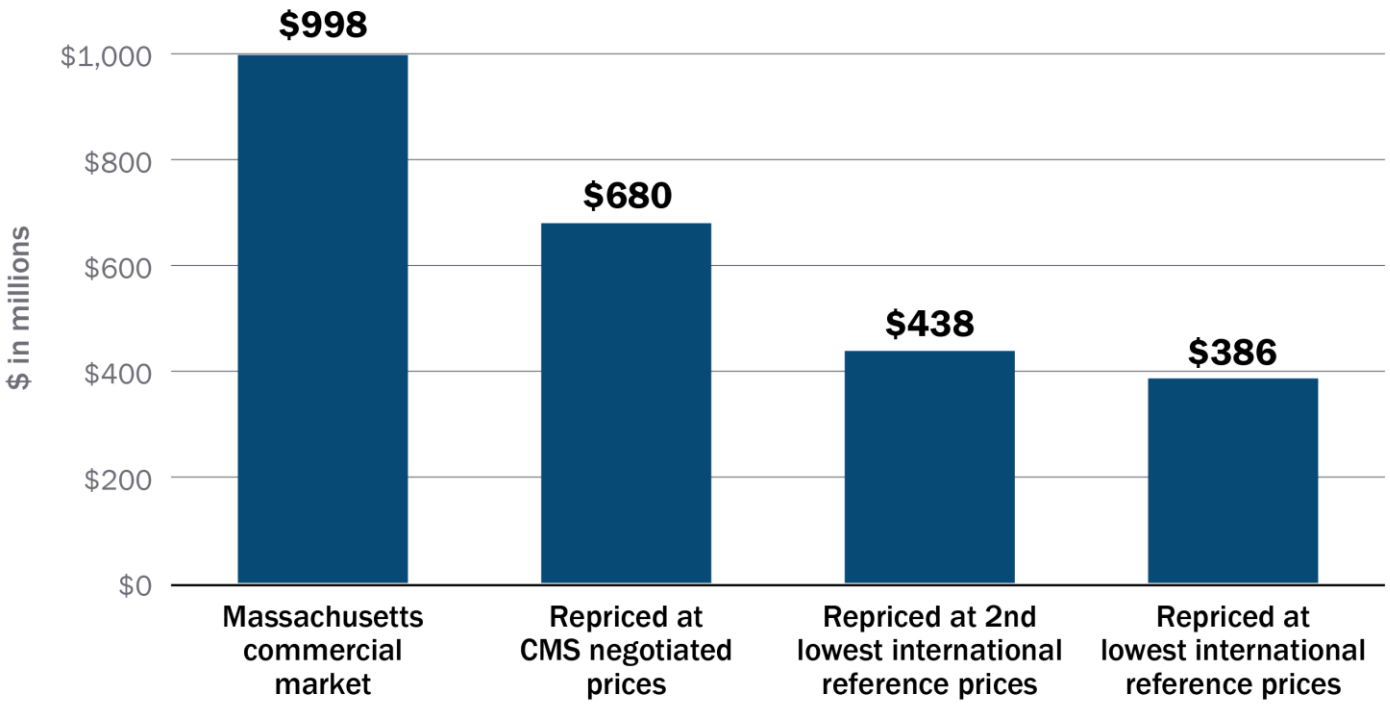
	Direct-to-consumer		Maryland PDAB	Medicare		International Reference Prices		
	Manufacturer Direct	TrumpRx	Upper Payment Limit	Maximum Fair Price	GLP-1 Bridge	Highest	Second Lowest	Lowest
Diabetes: Ozempic	$499	$499	$274	$274	--	$197	$155	$150
Diabetes: Mounjaro	$499	$499	--	--	--	$478	$209	$167
Weight Loss: Wegovy	$349	$349	--	--	$245	$260	$193	$182
Weight Loss: Zepbound	$449	$449	--	--	$245	--	--	$221

Notes: Prices reflect the following doses: Ozempic 2 mg; Mounjaro 12.5 mg; Wegovy 2.4 mg; and Zepbound 12.5 mg. Manufacturer direct and TrumpRx prices as of Aug. 17, 2026; Maryland PDAB upper payment limit effective Jan. 1, 2027; Medicare Maximum Fair Price effective Jan. 1, 2027; Medicare GLP-1 Bridge prices effective July 1, 2026; international reference prices as of Mar. 31, 2026. The Medicare Maximum Fair Price also applies to Wegovy but only for cardiovascular risk reduction. International reference prices include prices for the relevant drug-dosage form of Ozempic, Wegovy, Mounjaro, and Zepbound from the 19 countries included in the CMS GLOBE and GUARD demonstration programs; the countries with the highest, second lowest, and lowest prices include: for Ozempic, United Kingdom, Germany, and France; for Mounjaro, Italy, Japan, and Belgium; for Wegovy, Denmark, Austria, and Switzerland; and for Zepbound, Japan (prices not reported for other countries).

Sources: For direct-to-consumer: NovoCare. https://www.novocare.com/pharmacy.html; LillyDirect. https://www.lilly.com/lillydirect; TrumpRx. https://trumprx.gov. For Maryland PDAB: Maryland PDAB. Ozempic Upper Payment Limit Framework. Jan. 26, 2026. https://pdab.maryland.gov/media/899. For Medicare: CMS. Overview: Medicare Drug Price Negotiation Program. June 15, 2026. https://www.cms.gov/initiatives/medicare-prescription-drug-affordability/overview/medicare-drug-price-negotiation-program; CMS. Medicare GLP-1 Bridge. Jul. 13, 2026. https://www.cms.gov/medicare/coverage/prescription-drug-coverage/medicare-glp-1-bridge. For international reference prices: NAVLIN Price & Access Data, EVERSANA LLC.

Spending on GLP-1s in Massachusetts would decrease significantly if commercial health plans paid CMS negotiated prices or international prices.

Net spending on GLP-1 drugs among the commercially insured population and projected spending if Ozempic, Wegovy, Mounjaro, and Zepbound were repriced, 2025



Notes: Massachusetts commercial market reflects estimated net spending after rebates in the private, commercially insured population. Results extrapolated to the full commercial market. CMS negotiated prices include the Medicare Maximum Fair Price for Ozempic ($274/month) and the Medicare GLP-1 Bridge prices for Wegovy and Zepbound ($245/month); Mounjaro is not repriced. International references prices include the lowest and 2nd lowest prices for each drug-dosage form of Ozempic, Wegovy, Mounjaro, and Zepbound from the 19 countries included in the CMS GLOBE and GUARD demonstration programs. Because Zepbound pricing data is reported for only one of country (Japan), these prices are employed in both the lowest and 2nd lowest spending estimates. Total health care spending excludes non-claims expenditures.

Sources: HPC analysis of CHIA Enhanced All-Payer Claims Database, 2026; Center for Health Information and Analysis Health Insurance Enrollment Trends Databooks, 2019-2025; US Brand Rx Net Pricing Tool, SSR Health LLC; NAVLIN Price & Access Data, EVERSANA LLC.

Spending on GLP-1 drugs among the commercially insured population in 2025 if Ozempic, Wegovy, Mounjaro, and Zepbound were repriced based on:

- **CMS negotiated prices** would have been **32% lower**, reducing:
  - Pharmacy spending by **4.7%**
  - Total health care spending by **1.0%**
- **2nd lowest international reference prices** would have been **56% lower**, reducing:
  - Pharmacy spending by **8.3%**
  - Total health care spending by **1.7%**
- **Lowest international reference prices** would have been **61% lower**, reducing:
  - Pharmacy spending by **9.0%**
  - Total health care spending by **1.8%**

Summary of Key Findings

- **Blockbuster GLP-1 drugs.** Four GLP-1 drugs from Novo Nordisk and Eli Lilly have generated net sales of $2 billion in the Massachusetts commercial market and over $125 billion in the U.S. across all payers since launch
- **GLP-1 drug pipeline.** 12 new GLP-1s are expected to launch by 2030, but blockbuster GLP-1s are patent protected until 2041
- **Declining commercial coverage for weight loss.** Many payers discontinued coverage of GLP-1s for weight loss in 2026
- **Increasing direct-to-consumer of branded GLP-1s.** Self-pay now accounts for 35% of Novo Nordisk's Wegovy sales and 45% of Eli Lilly's Zepbound prescriptions (annual costs for Wegovy = $4,188 and Zepbound = $5,388)[1]
- **GLP-1 spending and utilization.** In 2025, net spending in the Massachusetts commercial market reached ~$1 billion with ~300,000 members utilizing a GLP-1 drug; however, spending and utilization dropped significantly in Q1 2026 as coverage changed
- **Patient cost sharing.** Most claims (~90%) required copays
- **Current coverage vs. repricing analysis**
  - **Current coverage:** In Q1 2026, 112,000 fewer commercially insured members utilized a GLP-1 drug for weight loss, contributing to decreased 2026 annualized spending of **$662 million**
  - **Repricing analysis:** If blockbuster GLP-1 drugs were repriced in 2025, spending would decrease:
    - CMS negotiated prices = **$680 million** (reducing pharmacy spending by 4.7%; total health care spending by 1.0%)
    - International reference prices = **$386 million** (reducing pharmacy spending by 9.0%; total health care spending by 1.8%)

Notes: 1. Annual costs based on manufacturer direct prices of maintenance doses for Wegovy ($349 x 12 = $4,188) and Zepbound ($449 x 12 = $5,388). See NovoCare. https://www.novocare.com/pharmacy.html; LillyDirect. https://www.lilly.com/lillydirect.

Agenda

Call to Order

Approval of Minutes **(VOTE)**

Recent Market Transactions

Office of Pharmaceutical Policy and Analysis *Annual Report* Preview: Trends in GLP-1 Drugs

UP NEXT: Healey-Driscoll Administration Health Care Affordability Working Group: Mid-Year Recommendations

Executive Director's Report

Executive Session **(VOTE)**

Adjourn

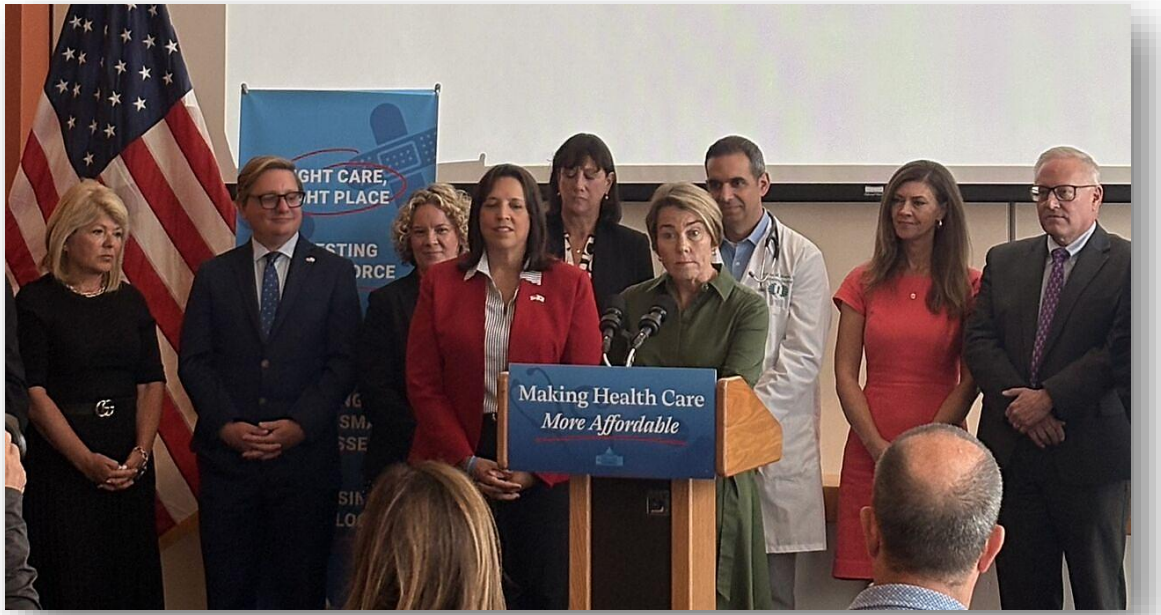
Massachusetts Health Care Affordability Working Group

On January 14, 2026, Governor Maura Healey announced a new working group charged with advancing proposals to reduce health care costs across the system, ultimately reducing costs for people and businesses across the state.

> *Health care is too difficult and too expensive for far too many people. We are taking the most comprehensive action in the country to make it faster, cheaper and easier to get the care you need. This is a moment of urgency, and today we are bringing together leaders from across health care, business and labor to find every possible step we can take to lower costs and improve health care in Massachusetts."*
>
> — Governor Maura Healey

Massachusetts Health Care Affordability Working Group

On August 3, 2026, Governor Healey announced 12 mid-year recommendations of the Health Care Affordability Working Group, convened in January, to target some of the biggest drivers of health care costs, including out-of-network charges, prescription drug prices, workforce shortages, barriers to primary care, administrative costs and preventable hospitalizations.



> *The cost of health care is putting too much pressure on families, employers and our entire health care system. We brought together leaders with different perspectives and expertise because everyone agreed on one thing—we have to make health care more affordable. These recommendations give us a roadmap to lower costs, strengthen our workforce and make sure people can continue getting the high-quality care they deserve."*
>
> — Governor Maura Healey

Health Care Affordability Working Group: Mid-Year Recommendations

Helping People and Small Businesses

- Reduce out-of-network costs
- Stabilize the health insurance market

State Leadership

- Reduce prescription drug costs
- Manage GIC prices

Harnessing Technology

- Data exchange
- Artificial intelligence

Right Care at the Right Time in the Right Place

- Innovative health care models
- Transitions of care
- Low-value care

Investing in Workforce

- Targeted nursing and workforce investments
- Education investments
- Strengthening primary care

Agenda

Call to Order

Approval of Minutes **(VOTE)**

Recent Market Transactions

Office of Pharmaceutical Policy and Analysis *Annual Report* Preview: Trends in GLP-1 Drugs

Healey-Driscoll Administration Health Care Affordability Working Group: Mid-Year Recommendations

UP NEXT: Executive Director's Report

Executive Session **(VOTE)**

Adjourn

Massachusetts Registration of Provider Organizations (MA-RPO) Program: Proposed Updates and Public Comment Process

The MA-RPO Program has released proposed updates to the 2026 reporting requirements. The proposed updates provide additional guidance on how Provider Organizations should report relationships with Significant Equity Investors, streamline the requirements for hospital systems that report to CHIA, and add new questions for organizations with private equity investment.

1 Proposed Updates Released

The proposed updates were posted on the HPC website on September 9, and current registrants were notified via email.

2 Public Comment Period

Written feedback should be sent to HPC-RPO@mass.gov on or before Thursday, September 24, 2026.

3 2026 Filing

The MA-RPO Program will release the final 2026 Data Submission Manual and open the online submission platform for the 2026 filing following the public comment period.

2026 ANNUAL HEALTH CARE COST TRENDS HEARING

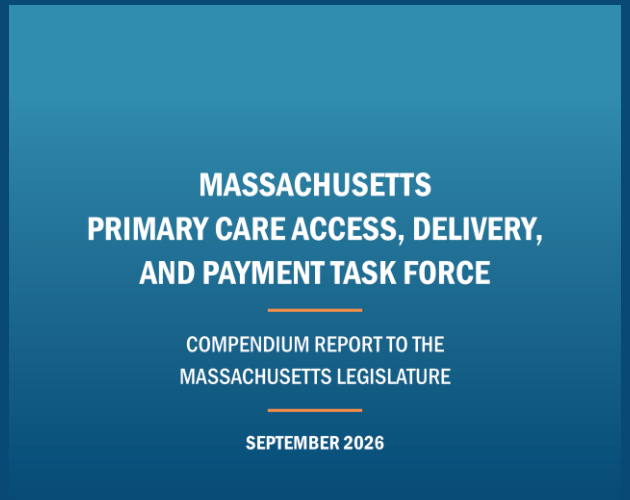
SAVE THE DATE

Tuesday
November 10, 2026

Suffolk University
Law School

MASSACHUSETTS
HEALTH POLICY COMMISSION

New Publication: Primary Care Access, Delivery, and Payment Task Force Compendium Report



MASSACHUSETTS HEALTH POLICY COMMISSION

EOHHS

Last week, the Massachusetts **Primary Care Access, Delivery, and Payment Task Force (PCTF)** published its final compendium report.

The report documents the PCTF's work and compiles the seven statutory deliverables to strengthen and sustain the primary care system in the Commonwealth. These recommendations include:

- Establishing an **aggregate primary care spending target**
- Developing an **advanced primary care payment model**
- Reducing sources of **administrative burden and burnout**
- Creating additional **transparency and oversight of the flow of primary care payments** within health systems
- Continuing efforts to **improve health care affordability**, including addressing the burden of cost sharing and underlying growth in spending
- Leveraging the HPC's Office of Health Resource Planning to **conduct assessments of primary care need, supply, capacity, and utilization**
- Codify the Center for Health Information and Analysis (CHIA) as the agency responsible for **defining, measuring, and reporting on primary care spending**
- Establishing a **new primary care technical advisory body** to provide technical input on CHIA's data specifications, methodology, measurement, and reporting.

For more information on the task force, please visit https://masshpc.gov/offices-and-task-forces/pctf

194th General Court Primary Care Legislation

TOPIC	S.3141	H.5630	BOTH BILLS
Primary Care Spending Target	Requires a primary care spending target of 9% of total health care expenditures starting in 2028; increasing to 15% by 2031	Requires a primary care spending target of 9% of total health care expenditures starting in 2030; increasing to 12% by 2033 and to 15% by 2036	• Directs the CHIA to define, measure, and report total primary care expenditures against the target. • Direct the HPC to monitor implementation of the spending target
Advanced Primary Care Model	Directs the HPC to develop a statewide advanced primary care payment model for commercial insurers and the Group Insurance Commission	Requires the Division of Insurance (DOI) to establish a framework for a standard advanced primary care payment model to be adopted by commercial insurers	• Require health care entities registered with the HPC's Registration of Provider Organizations (RPO) program to report on primary care staffing, patient panels, capacity, and funds flow • Set a minimum reimbursement rate for commercial insurers for services provided by federally qualified community health centers (CHCs).
Primary Care Workforce	Directs the EOHHS to develop a graduate medical education (GME) payment program.	Establishes the Health Care Workforce Transformation Fund, funded with an initial $25 million, to address workforce shortages and make long-term investments	
Administrative Burden	Calls for a limited set of quality and outcome measures that shall not add to the administrative burden of the primary care practices.	Includes language to reduce administrative burden on providers through consistency and alignment on reporting requirements	

Recent and Upcoming Publications

RECENTLY RELEASED

- **Investment Program Evaluation Report:** Cost-Effective, Coordinated Care for Caregivers and Substance Exposed Newborns (C4SEN) Investment Program (September 2026)
- **Investment Program Practical Guide**: Patient Experience Insights from the C4SEN Investment Program (September 2026)
- **Investment Program Overview**: One-page overview of the Moving Massachusetts Upstream (MassUP) Investment Program (September 2026)
- **DataPoints**: Issue #35, A Closer Look at Cardiac Ablation: The Commonwealth's Highest-Spending Outpatient Procedure (August 2026)
- **Investment Program Impact Brief**: C4SEN Investment Program (June 2026)

UPCOMING

- **Final Report**: Maternal Health Access and Birthing Patient Safety Task Force
- **HPC Shorts**: Trends in C-Section Utilization in Massachusetts
- **Legislative Report**: The Impact of Medicare ACOs on the Financial Viability of Nursing Facilities in the Commonwealth
- **DataPoints**: Issue #36, Root Causes of Emergency Care: Examining Preventable Oral Health ED Visits

Schedule of Upcoming 2026 Meetings

HPC BOARD

December 10 – IN PERSON
1:00 PM

ADVISORY COUNCIL

September 24

December 3

SPECIAL EVENTS

November 10

2026 Health Care Cost Trends Hearing

masshpc.gov/meetings

massHPC.gov

HPC-info@mass.gov

tinyurl.com/hpc-linkedin

@masshpc.bsky.social

Agenda

Call to Order

Approval of Minutes **(VOTE)**

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Executive Director's Report

UP NEXT: Executive Session (VOTE)

Adjourn

VOTE

Enter Executive Session

MOTION

That having first convened in open session at its September 17, 2026, Board meeting and pursuant to M.G.L. c. 30A, § 21(a)(7), the Commission hereby approves going into executive session for the purpose of complying with c. 6D, § 2A, to discuss confidential information provided to the Commission.