

## —Inflation Reduction Act Research Series—Januvia: Medicare Enrollee Use and Spending

This Fact Sheet provides information on **Januvia**, one of the 10 drugs selected for the first cycle of Medicare drug price negotiations. Januvia (active ingredient sitagliptin) is a small molecule drug used to treat diabetes. About 28 percent of Medicare enrollees have diabetes, which also increases their risk for heart disease and stroke.

- Between 2018 and 2022, average annual total Part D spending per enrollee taking Januvia (i.e., the total amount, including Medicare, plan, and enrollee payments, spent on Januvia per person) increased by 32 percent (from \$3,511 to \$4,631).
- From 2018 through 2022, the average annual out-of-pocket spending per enrollee increased by 12 percent (from \$240 to \$270).

Table 1 presents data on utilization and spending for Januvia among Part D enrollees. About 885,000 Part D enrollees filled prescriptions for Januvia in 2022. Relative to the total Part D population, a greater share of Januvia users were Black non-Latinos (16 percent vs. 11 percent) and Latinos (16 percent vs. 10 percent).

Table 1. Medicare Part D Use and Spending on Januvia, Calendar Year (CY) 2022

	Total Enrollees	LIS Enrollees <sup>a</sup>	Non-LIS Enrollees
Number of Part D Enrollees	53,063,000	14,957,000	38,106,000
Number of Enrollees Taking Januvia	885,000	426,000	459,000
Share of Part D Enrollees Taking Januvia	2%	3%	1%
Total Spending on Januvia			
Total Spending	\$4,098,305,000	\$2,072,517,000	\$2,025,788,000
Average per Enrollee taking Januvia	\$4,631	\$4,864	\$4,416
Enrollee Out-of-Pocket Spending on Januvia			
Total OOP Spending	\$238,891,000	\$8,488,000	\$230,403,000
Average OOP per Enrollee taking Januvia	\$270	\$20	\$502

Notes: <sup>a</sup>For eligible Part D enrollees who meet income and asset requirements, the Low-Income Subsidy (LIS), also known as Extra Help, provides assistance with premiums, deductibles, and co-payments for covered Part D drugs.

The Inflation Reduction Act was signed into law by President Biden in August 2022. Please see  $\underline{\text{here}}$  for more information on how the law is reducing drug costs for Medicare beneficiaries.

Please see <u>here</u> for more information on Januvia and the other drugs selected for the first cycle of Medicare drug price negotiation, cautions and limitations in interpretation and use of these estimates, and relevant citations.

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