

Making Weight Loss and Diabetes Drugs Affordable

The Government's Power to Act and Authorize Generics

On February 12, 2026, Public Citizen submitted a [petition](#) to Robert Kennedy, Jr., Secretary of the U.S. Department of Health and Human Services (HHS), requesting that the Trump administration use its statutory authority under 28 U.S.C. § 1498 to authorize generic competitors for the GLP-1 drugs semaglutide and tirzepatide. Semaglutide is sold by Novo Nordisk under the brand names Ozempic, Wegovy, and Rybelsus. Tirzepatide is sold by Eli Lilly under the brand names Mounjaro and Zepbound.

About 38 million Americans have diabetes (about one in every 10 people), between 90-95% have type 2 diabetes.ⁱ Nearly one in three adults are overweight (31%) and two in five adults have obesity (42%) in the United States.ⁱⁱ Nearly one in five (18%) adults in the U.S. have used GLP-1 drugs to manage these and other conditions, an increase from one in eight adults just 18 months ago.ⁱⁱⁱ

Recent price concessions are insufficient to remedy access and budgetary concerns.

The Trump administration has proposed expanding coverage for the drugs' weight loss indications in Medicare and Medicaid. But without substantial price reductions, these drugs threaten to break the coffers of federal health programs and will remain out of reach for many. Meanwhile, Novo Nordisk and Eli Lilly will likely continue to see revenues grow. The companies [expect](#) that even with recent price concessions agreed in their voluntary agreements with the Trump administration and direct-to-consumer sales initiatives, sales will ultimately benefit from the continued massive demand for these medications.

- For patients, while the proposed coverage expansion in Medicaid and Medicare and \$50 per month co-pay for Medicare beneficiaries could expand access for some, many beneficiaries may still be left out.^{iv} Coverage will depend on plan participation. Many Medicare and Medicaid plans may choose not to participate in the proposal to expand coverage because the prices offered may not be low enough to assuage budgetary concerns that accompany increased utilization.

Novo Nordisk's and Eli Lilly's exorbitant pricing imposes extreme financial consequences on patients and payers.

- Ozempic and Mounjaro were Medicare's second and fourth highest-spend drugs by gross spending in 2024, respectively.^v
- Between 2020 and 2024, Medicare's gross spending on semaglutide products increased nearly ten-fold, reaching an astonishing total of \$15.16 billion in 2024.^{vi} Even at the lowered prices achieved through the Medicare Drug Price Negotiation Program (which is only slightly higher than the recent "voluntary agreement" price), these products will remain among the most costly drugs for Medicare. Based on 2024 spending data, estimated spending at the negotiated prices would be higher than *gross spending* for all but nine drugs in Medicare Part D.^{vii}
- Since 2022, Medicare's gross spending on tirzepatide products has increased by more than 2.5-fold.^{viii}
- Between 2020 and 2023, Medicaid's gross spending on semaglutide products increased by two-fold or more each year. In 2024, spending reached \$4.8 billion.^{ix}
- In 2024, Medicaid's gross spending on tirzepatide products reached over \$1.2 billion—nearly three times as much as it had been the previous year.^x
- A 2024 report from the Senate Committee on Health, Education, Labor, and Pensions found that the annual cost to the healthcare system for covering Wegovy for half of the eligible population (\$411 billion) would exceed the expenditure on all retail prescription drugs in 2022 (\$406 billion).^{xi} The report further illustrated that covering Wegovy could cost one trillion dollars by 2031 and potentially almost two trillion dollars depending on uptake of the drug.^{xii}

High prices contribute to treatment rationing.

- To partially limit the explosive costs of these drugs, federal and state health programs have had to restrict the number of beneficiaries for whom the drugs are covered. Direct federal purchasing programs like the

Department of Veterans Affairs require that patients obtain prior authorization and/or meet specific coverage criteria before they can access these drugs.

- State Medicaid programs often employ access restrictions, like narrowing eligibility to only patients with severe obesity, to help contain ballooning costs.^{xiii} Many others do not cover these drugs for weight loss at all. Currently, only 13 state Medicaid programs cover GLP-1s for obesity.^{xiv}
- Those without insurance coverage for these drugs may be able to purchase them through direct-to-consumer platforms. However, even with recent direct-to-consumer price reductions, these cash-pay prices still total thousands of dollars per year.^{xv}
 - This may be unsustainable for many. Of patients who have ever used GLP-1s, over half found them difficult to afford and one in seven stopped taking them because of the cost burden.^{xvi} Research also shows that patients with an out-of-pocket cost over \$20 per dispensing are at a greater risk of poor medication adherence than those with no out-of-pocket cost.^{xvii}

The companies' prices are unjustifiably high.

- Novo Nordisk charges Americans up to 16 times as much for its semaglutide products as it charges peer countries.^{xviii} Eli Lilly charges Americans up to 14 as much for its tirzepatide products as it charges peer countries.^{xix}
- Even using volatile estimates of net prices, semaglutide is six times as expensive in the U.S as in the U.K. and tirzepatide is as much as 8.5 times as expensive in the U.S. as in Japan.

Novo Nordisk's and Eli Lilly's extraordinary pricing and revenues for semaglutide and tirzepatide cannot be explained by R&D spending.

- Eli Lilly has made \$58.79 billion in revenue from Mounjaro and Zepbound since their launch.^{xx} Novo Nordisk has made \$94.33 billion in revenue from Ozempic, Wegovy, and Rybelsus since their launch.^{xxi} These revenues are an order of magnitude higher than even the most generous estimates of research and development costs for drugs that take into account failed candidates and a reasonable return on investment.^{xxii}
- Meanwhile, these companies spend huge sums on payouts to shareholders, rather than R&D.
 - Since Novo Nordisk launched Ozempic, the company has spent over \$56.3 billion on share repurchases and shareholder dividends—1.7 times as much as it spent on R&D *across its entire portfolio* (\$32.76 billion).^{xxiii}
 - Eli Lilly has spent \$23.67 billion on share buybacks and dividends over the four years since Mounjaro launched, nearly \$3 billion more than it spent on these activities over the preceding four years.^{xxiv}

States have called for a federal solution.

Tired of waiting for Novo Nordisk and Eli Lilly to voluntarily lower their prices to affordable levels, states have called for federal solutions to the companies' price gouging.

- North Carolina, after unsuccessful efforts to negotiate lower prices for its State Health Plan with GLP-1 manufacturers, requested that HHS initiate efforts with branded manufacturers to voluntarily license their weight loss drugs in order to supply federal, state, and local government payers.^{xxv}
 - The North Carolina State Health Plan revoked coverage of these drugs for weight loss uses.^{xxvi} Continuing to provide coverage for the drugs at current prices would have nearly doubled health insurance premiums for every member, with costs set to exceed \$170 million in 2024 and \$1 billion over the following six years.^{xxvii}
- Connecticut passed a law directing the Department of Social Services to request that HHS authorize generic forms of GLP-1s pursuant to 28 U.S.C. § 1498.^{xxviii}
 - Connecticut's Medicaid program spent \$85 million on GLP-1s in 2024, which amounted to 35% of the program's pharmaceutical budget that year.^{xxix}

Generic competition can bring prices down significantly. More affordable generic semaglutide will likely be available in Canada this year.

- Research shows that generic Ozempic could be sustainably priced at less than \$5 a month, and potentially as low as 89 cents, or around 0.09 percent of the current U.S. list price based on its cost of manufacture.^{xxx} Similarly, Wegovy could be sustainably priced for as little as \$13 a month, which is approximately one percent of the current list price.^{xxxi} Oral semaglutide could be priced at \$72.50 a month, and potentially as low as \$39 a month.^{xxxii}
- In Canada, generic versions of Ozempic and Wegovy are expected to launch later this year, with anticipated prices as low as 100 Canadian dollars (equivalent to about \$73) per month.^{xxxiii}
 - Novo Nordisk is itself expected to launch cheaper versions of Ozempic and Wegovy (the same drugs under new names) priced to be competitive with generics.^{xxxiv}
- Several manufacturers have submitted applications for FDA approval of generic semaglutide products, including two manufacturers that are awaiting regulatory approval for such products in Canada.^{xxxv} However, extended patent terms in the U.S. prevent these alternatives from entering the market until at least December 2031.^{xxxvi}

To avert the ruinous financial consequences of Novo Nordisk's and Eli Lilly's pricing abuses, the Trump administration should use its statutory authority to lower costs.

While patents and other exclusivities insulate semaglutide and tirzepatide from competition, Eli Lilly and Novo Nordisk will remain largely free to charge Americans whatever price they want, regardless of whether those prices are reasonable or fair.

Under [28 U.S.C. § 1498](#), the federal government can make or purchase a patented invention without the permission of the patent holder in exchange for reasonable compensation, for example royalty payments on generics sales.^{xxxvii} When the government exercises its authority under § 1498, the patent holder may not seek injunctive relief, nor can a government contractor or subcontractor be held liable for infringement by the patent holder.^{xxxviii} This authority can be used to allow generic competition.

The law has been used for more than a century across technologies, including for the procurement of low-cost generic versions of patented drugs.^{xxxix} Invoking the law to help expand affordable access to semaglutide and tirzepatide would be simple. Federal entities including the Veterans Health Administration and CMS can procure generics under § 1498 by incorporating the government's authorization into contracts with generic manufacturers and issuing statements assuming infringement liability.

Apart from the patent barrier, which can be addressed through the use of § 1498, additional barriers to generic supply posed by regulatory exclusivities either no longer apply for many indications and dosage forms of these drugs or can be overcome with ambition from the FDA and HHS.

By authorizing generic competition, the U.S. can secure billions in savings, which could in turn help ease coverage restrictions and expand access.

For Medicare alone, generic competition to Ozempic, Mounjaro, Rybelsus, and Wegovy for currently covered Medicare indications over two years could save an estimated \$8.07 billion, compared to expected spending at current prices.^{xl} This is over three billion dollars more than estimated savings that could be achieved through the proposed voluntary agreement price (\$245) if all plans participated in the CMS model intended to implement the price.^{xli}

While federal law currently prohibits Medicare from covering drugs solely for weight loss indications, the Trump administration has proposed expanding coverage through the CMS model. If all Medicare Part D plans participated in the model and coverage were expanded to include all patients for whom the drugs are indicated by the FDA, generic competition to Wegovy and Zepbound for just 25% of patients eligible solely for overweight and obesity would result in an estimated \$8.09 billion in savings compared to the same uptake at the voluntary agreement price and \$16.1 billion in savings at 50% uptake.^{xlii}

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- ⁱ *About Type 2 Diabetes*, U.S. CTRS. FOR DISEASE CONTROL & PREVENTION, https://www.cdc.gov/diabetes/about/about-type-2-diabetes.html?CDC_AAref_Val=https://www.cdc.gov/diabetes/basics/type2.html (last visited Dec. 30, 2025).
- ⁱⁱ *Overweight & Obesity Statistics*, NAT'L INST. DIABETES & DIGESTIVE & KIDNEY DISEASES, <https://www.niddk.nih.gov/health-information/health-statistics/overweight-obesity> (last visited Dec. 30, 2025).
- ⁱⁱⁱ Alex Montero, Audrey Kearney, Mardet Mulugeta, Ashley Kirzinger, and Liz Hamel, *KFF Health Tracking Poll: Prescription Drug Costs, Views on Trump Administration Actions, and GLP-1 Use*, KFF POLLING (Nov. 14, 2025), <https://www.kff.org/public-opinion/kff-health-tracking-poll-prescription-drug-costs-views-on-trump-administration-actions-and-glp-1-use/>.
- ^{iv} Press Release, Ctrs. Medicare & Medicaid Services, CMS Launches Voluntary Model to Expand Access to Life-Changing Medicines, Promote Healthier Living (Dec. 23, 2025), <https://www.cms.gov/newsroom/press-releases/cms-launches-voluntary-model-expand-access-life-changing-medicines-promote-healthier-living>; The White House, Fact Sheet: President Donald J. Trump Announces Major Developments in Bringing Most-Favored-Nation Pricing to American Patients (Nov. 6, 2025), <https://www.whitehouse.gov/fact-sheets/2025/11/fact-sheet-president-donald-j-trump-announces-major-developments-in-bringing-most-favored-nation-pricing-to-american-patients/>.
- ^v Ctrs. Medicare & Medicaid Servs., Medicare Part D Spending by Drug, DATA.CMS.GOV, <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicare-spending-by-drug/medicare-part-d-spending-by-drug> (last visited Jan. 5, 2026); Ctrs. Medicare & Medicaid Servs., Medicare Quarterly Part D Spending by Drug, DATA.CMS.GOV, <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicare-spending-by-drug/medicare-quarterly-part-d-spending-by-drug> (last visited Jan. 14, 2026).
- ^{vi} Ctrs. Medicare & Medicaid Servs., Medicare Part D Spending by Drug, DATA.CMS.GOV, <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicare-spending-by-drug/medicare-part-d-spending-by-drug> (last visited Jan. 5, 2026); Ctrs. Medicare & Medicaid Servs., Medicare Quarterly Part D Spending by Drug, DATA.CMS.GOV, <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicare-spending-by-drug/medicare-quarterly-part-d-spending-by-drug> (last visited Jan. 14, 2026).
- ^{vii} Anna Anderson-Cook & Richard G. Frank, Estimated savings from year two of the IRA Prescription Drug Negotiation Program, BROOKINGS (Dec. 5, 2025), <https://www.brookings.edu/articles/estimated-savings-from-year-two-of-the-ira-prescription-drug-negotiation-program/>; Ctrs. Medicare & Medicaid Servs., *Medicare Quarterly Part D Spending by Drug*, DATA.CMS.GOV, <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicare-spending-by-drug/medicare-quarterly-part-d-spending-by-drug> (last visited Jan. 14, 2026).
- ^{viii} Ctrs. Medicare & Medicaid Servs., Medicare Part D Spending by Drug, DATA.CMS.GOV, <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicare-spending-by-drug/medicare-part-d-spending-by-drug> (last visited Jan. 6, 2026); Ctrs. Medicare & Medicaid Servs., *Medicare Quarterly Part D Spending by Drug*, DATA.CMS.GOV, <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicare-spending-by-drug/medicare-quarterly-part-d-spending-by-drug> (last visited Jan. 14, 2026).
- ^{ix} Elizabeth Williams, *Medicaid Coverage of and Spending on GLP-1s*, KFF (Jan. 16, 2026), <https://www.kff.org/medicaid/medicaid-coverage-of-and-spending-on-glp-1s/>.
- ^x Elizabeth Williams, *Medicaid Coverage of and Spending on GLP-1s*, KFF (Jan. 16, 2026), <https://www.kff.org/medicaid/medicaid-coverage-of-and-spending-on-glp-1s/>.
- ^{xi} MAJORITY STAFF OF THE SENATE HELP COMMITTEE, BREAKING POINT: HOW WEIGHT LOSS DRUGS COULD BANKRUPT AMERICAN HEALTH CARE 6-7 (May 15, 2024).
- ^{xii} *Id.* See also, MAJORITY STAFF OF THE SENATE HELP COMMITTEE, NOVO NORDISK'S UNTENABLE DRUG PRICING STRATEGY IN AMERICA: GREED, GREED, GREED 3 (Sept. 24, 2024), <https://www.sanders.senate.gov/wp-content/uploads/9.23.2024-Novo-Nordisk-Untenable-Strategy-final.pdf>. Wegovy's net price was estimated to be \$809 per month (a 40% rebate from the list price) based on publicly reported figures in 2024. The majority staff noted that the rebate "aggregate figure likely overestimates the discounts available to most commercial plans," and that "[p]harmaceutical companies often combine rebates with other kinds of government-mandated discounts (e.g., 340B pricing, Medicaid rebates) to present a misleading figure of the net price."
- ^{xiii} Kelly Hooper, *Doctors call Ozempic a miracle drug. Medicaid officials aren't so sure.*, POLITICO (Dec. 2, 2025), <https://www.politico.com/news/2025/12/02/weight-loss-medicare-drugs-ozempic-wegovy-zepbound-00663581>.
- ^{xiv} Elizabeth Williams, *Medicaid Coverage of and Spending on GLP-1s*, KFF (Jan. 16, 2026), <https://www.kff.org/medicaid/medicaid-coverage-of-and-spending-on-glp-1s/>.
- ^{xv} The White House, Fact Sheet: President Donald J. Trump Announces Major Developments in Bringing Most-Favored-Nation Pricing to American Patients (Nov. 6, 2025), <https://www.whitehouse.gov/fact-sheets/2025/11/fact-sheet>

[president-donald-j-trump-announces-major-developments-in-bringing-most-favored-nation-pricing-to-american-patients/](#); Stacie B. Dusetzina & Rachel E. Sachs, *Insurance Coverage and Pricing of Weight-Loss Drugs in the United States*, 394 NEW ENG. J. MED. PERSPECTIVE 105-107 (2025).

^{xvi} Alex Montero, Audrey Kearney, Mardet Mulugeta, Ashley Kirzinger, and Liz Hamel, *KFF Health Tracking Poll: Prescription Drug Costs, Views on Trump Administration Actions, and GLP-1 Use*, KFF POLLING (Nov. 14, 2025), <https://www.kff.org/public-opinion/kff-health-tracking-poll-prescription-drug-costs-views-on-trump-administration-actions-and-glp-1-use/>.

^{xvii} Andrew J Karter et al, *Effect of Out-of-Pocket Cost on Medication Initiation, Adherence, and Persistence among Patients with Type 2 Diabetes: The Diabetes Study of Northern California (DISTANCE)*, HEALTH SERV. RES. (2018), <https://pmc.ncbi.nlm.nih.gov/articles/PMC5867086/>.

^{xviii} See, Letter from Sen. Bernard Sanders, Chair of the United States S. Comm. on Health, Education, Labor, and Pensions to Lars Fruergaard Jørgensen, Chief Executive Officer of Novo Nordisk, Inc. (Apr. 24, 2024), <https://www.sanders.senate.gov/wp-content/uploads/Letter-from-Sen.-Bernard-Sanders-to-Novo-Nordisk.pdf> (after updating to compare with current U.S. list price); *Find out the cost for Ozempic*, NOVO NORDISK, <https://www.novocare.com/diabetes/products/ozempic/explaining-list-price.html> (last visited Jan. 4, 2026).

^{xix} In Japan, Zepbound is about \$78 at the lowest dose. Ministry of Health, Labor, & Welfare, *Information on the Drug Price List and Generic Drugs (effective February 1, 2026)*, <https://www.mhlw.go.jp/topics/2025/04/tp20250401-01.html> (converted from JPY based on U.S. Department of Treasury-reported exchange rate as of Dec. 25, 2025); *How much should I expect to pay for Zepbound® (tirzepatide)?*, ELI LILLY, <https://pricinginfo.lilly.com/zepbound> (last visited Jan. 6, 2026).

^{xx} Company financial reports.

^{xxi} Company financial reports.

^{xxii} CONG. BUDGET OFF., RESEARCH AND DEVELOPMENT IN THE PHARMACEUTICAL INDUSTRY (Apr. 2021), <https://www.cbo.gov/publication/57126>.

^{xxiii} Company financial reports.

^{xxiv} Company financial reports. Based on full-year financials except for 2025, which runs through Q3 (full year data on dividends and share repurchases were not yet available at the time of writing).

^{xxv} Letter from Dale Folwell, Chair, Board of Trustees, N.C. State Health Plan, to Xavier Becerra, Secretary, U.S. Dep't Health & Human Servs. (July 29, 2024), <https://www.shpnc.gov/documents/folwell-request-usdhhs-glp1/download?attachment>.

^{xxvi} *Statement Regarding GLP-1 Coverage*, N.C. STATE HEALTH PLAN FOR TEACHERS & STATE EMPLOYEES (Mar. 7, 2024), available at: <https://web.archive.org/web/20240501111144/https://www.shpnc.org/blog/2024/03/07/statement-regarding-glp-1-coverage>.

^{xxvii} *Statement Regarding GLP-1 Coverage*, N.C. STATE HEALTH PLAN FOR TEACHERS & STATE EMPLOYEES (Mar. 7, 2024), available at: <https://web.archive.org/web/20240501111144/https://www.shpnc.org/blog/2024/03/07/statement-regarding-glp-1-coverage>.

^{xxviii} H.B. 7192, 2025 Gen. Assemb., Reg. Sess. (Conn. 2025),

https://www.cga.ct.gov/asp/cgabillstatus/cgabillstatus.asp?selBillType=Bill&bill_num=HB07192&which_year=2025.

^{xxix} Katy Golvala, *People call GLP-1s life-changing. CT says it can't afford them.*, THE CONNECTICUT MIRROR (Mar. 23, 2025), <https://ctmirror.org/2025/03/23/ct-glp-1-weight-loss-drug-coverage/>.

^{xxx} Melissa Barber, Dzintars Gotham, Helen Bygrave, & Christa Cepuch, *Estimated Sustainable Cost-Based Prices for Diabetes Medicines*, 7 JAMA NETWORK OPEN e243474 (2024).

^{xxxi} Melissa Barber, Joseph S. Ross, & Reshma Ramachandran, *To get a fair deal on Wegovy, buying Novo Nordisk might not be Medicare's worst option*, STAT NEWS (July 29, 2024), <https://www.statnews.com/2024/07/23/wegovy-medicare-medicaid-costs-why-not-buy-manufacturer-novo-nordisk/>.

^{xxxii} Melissa Barber, Dzintars Gotham, Helen Bygrave, & Christa Cepuch, *Estimated Sustainable Cost-Based Prices for Diabetes Medicines*, 7 JAMA NETWORK OPEN e243474 (2024).

^{xxxiii} Amina Zafar, *Cheaper obesity medications could come to Canada this summer, as Health Canada reviews generics*, CBC (Jan. 6, 2026), <https://www.cbc.ca/news/health/ozempic-glp1-health-canada-generic-9.7034498>.

^{xxxiv} Kelly Grant & Chris Hannay, *Novo Nordisk prepares new cheaper version of Ozempic as generics face delays*, THE GLOBE & MAIL (Jan. 5, 2026), <https://www.theglobeandmail.com/canada/article-ozempic-cheaper-version-novo-nordisk-health-canada-generics/>

^{xxxv} Health Canada, Generic submissions under review, <https://www.canada.ca/en/health-canada/services/drug-health-product-review-approval/generic-submissions-under-review.html> (last visited Jan. 23, 2026); Abhijeet Singh, *Dr Reddy's expects to launch Semaglutide generic in Canada by May*, THE ECONOMIC TIMES (Jan. 22, 2026),

<https://pharma.economictimes.indiatimes.com/amp/news/pharma-industry/dr-reddys-expects-to-launch-semaglutide-generic-in-canada-by-may/127139141>; In Re: Ozempic (Semaglutide) Patent Litigation, Case MDL No. 3038 (Aug. 8, 2022), <https://www.jpml.uscourts.gov/sites/jpml/files/MDL-3038-Initial-Transfer-Order-7-22.pdf>; Complaint, Novo Nordisk, Inc. v Apotex Inc., Case No. 1:24-cv-09729 (D.N.J. Oct 10, 2024).

^{xxxvi} I-MAK, THE HEAVY PRICE OF GLP-1 DRUGS (2025), <https://www.i-mak.org/wp-content/uploads/2025/04/The-Heavy-Price-of-GLP-1-Drugs.pdf>.

^{xxxvii} Hannah Brennan, Amy Kapczynski, Christine Monahan, & Zain Rizvi, A Prescription for Excessive Drug Pricing, 18 YALE J. L. & TECH. 275, 279-80 (2017).

^{xxxviii} *Id.* at 302, 330-31.

^{xxxix} *Id.*

^{xl} Based on estimates of net spending for Ozempic, Wegovy, Rybelsus, and Mounjaro using 2024 Medicare Part D spending data. Net spending estimated based on estimated rebates for endocrine metabolic agents published by GAO (for Ozempic, Wegovy, Rybelsus, we went a step further to estimate spending at the Medicare-negotiated “maximum fair price”). Estimate assumes that generic options cost \$100 per month and that there is 66.1% uptake of generics and 82.7% uptake of generics in the first and second year of generic competition, respectively. This calculation reflects spending based on medically-accepted indications in Medicare Part D in 2024. Zepbound is excluded as the only accepted indication (sleep apnea) had been approved for less than a month of the reporting period. Benjamin N. Rome, ChangWon C. Lee, Joshua J. Gagne, & Aaron S. Kesselheim, *Factors Associated With Generic Drug Uptake in the United States, 2012 to 2017*, 24 Value Health 804 (2021) (showing that experts have found that in the first year of generic competition for a drug, there is 66.1% uptake of generics; in the second year, uptake of generics increases to 82.7%).

^{xli} This assumes all plans provide coverage for these drugs at the voluntary agreement price. In the likely scenario that fewer than 100% of plans opt in to the proposed coverage and pricing demonstration, savings would be significantly less. For example, if half of projected spending were at the voluntary agreement price and the other half left unchanged, savings would be halved, resulting in about \$5.6 billion less in savings compared to savings that could be generated in a scenario of increasing generic uptake.

^{xlii} Based on estimates of net spending for Wegovy and Zepbound if 25% and 50% of Medicare beneficiaries eligible for anti-obesity medications solely for overweight and obesity (about 12.5 million total beneficiaries, according to the Congressional Budget Office) used these drugs for weight management. Estimate assumes that generic options cost \$100 per month, there is 66.1% uptake of generics and 82.7% uptake of generics in the first and second year of generic competition, respectively, and baseline spending for comparison is \$245 per month.; CONG. BUDGET OFF., HOW WOULD AUTHORIZING MEDICARE TO COVER ANTI-OBESITY MEDICATIONS AFFECT THE FEDERAL BUDGET? (Oct. 2024), <https://www.cbo.gov/system/files/2024-10/60441-medicare-coverage-obesity.pdf>.