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GSK Is Third Major Inhaler Maker To Cap Copays; Will Teva Follow?

by Cathy Kelly

> It might make sense from a competitive standpoint for Teva to join the trend. That's the way it happened in the insulin category.

GSK will cap patient copays at $35 in commercial insurance plans for all of its inhaler drugs for asthma and COPD by the end of 2024, joining *Boehringer Ingelheim* and *AstraZeneca* in expanding its existing copay support for the treatments as they face pricing pressure from lawmakers and regulators.

It's unclear whether a fourth inhaler manufacturer in the category will follow suit. *Teva*, which markets the AirDuo and ArmonAir Digihalers, has not yet announced similar plans for its drugs but it may make sense from a competitive standpoint.

A comparable mass move to lower cost sharing for insulin ultimately did involve all the major players. The *Sanofi*, *Eli Lilly* and *Novo Nordisk* *insulin copay announcements* were all within three weeks of each other in March 2023, so Teva has until the end of the month if the inhaler category sweep is going to move at the same pace.

Senate Health, Education Labor and Pensions Committee chairman Bernie Sanders, I-VT, hailed the GSK plan in a statement. "With today's announcement, the three largest manufacturers of inhalers in the world have all committed to cap the cost of inhalers in the United States at no more than $35 at the pharmacy counter. This will significantly cut costs for millions of Americans with asthma and COPD so that they will be able to afford the inhalers they need," he said.

The HELP Committee initiated an investigation into the pricing of inhalers in January, which has been followed in short order by the cost sharing reduction programs by three of the companies who were targeted.

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Like Boehringer Ingelheim and AstraZeneca, GSK's cost initiative for inhalers also includes list price reductions. (Also see "*AstraZeneca Joins The $35 Inhaler Club; Medicare Patients Waiting On Congress For Membership*" - Pink Sheet, 18 Mar, 2024.)

Effective in In January, GSK cut the price for Advair Diskus by an average of 50% and pricing for Advair HFA was lowered by an average of 20%. AstraZeneca lowered the list price of Symbicort by 40% beginning in January, according to data from the price analysis group 46Brooklyn.

And Boehringer will reduce the list prices of Spiriva HandiHaler and Atrovent by an undisclosed amount beginning 1 January 2025. (Also see "*Now It's Asthma Inhalers' Turn: Boehringer Will Cap Copays, Cut Some List Prices As Pressure Grows*" - Pink Sheet, 7 Mar, 2024.)

Playing Medicaid Defense

Big list price reductions in the inhaler category (and for insulins) are likely defensive moves that respond to the elimination of the cap on rebates, especially price inflation rebates, in the Medicaid program. The cap was lifted in January.

With unlimited rebate obligations, drugs with significant price increases over the years could be subject to concessions that exceed their price in the new Medicaid environment. But a significant price cut could ease that burden.

GSK Plan Will Benefit Users Of Anoro Ellipta, Trelegy Ellipta

GSK products that will become available at a maximum copay of $35 include Anoro Ellipta and Trellegy Ellipta, which are two products in the portfolio that have growing US sales. (*See list below*.) A number of the others on the list recorded sales declines in the US in 2023, including Arnuity Ellipta (-40%), Breo Ellipta (-12%) and Ventolin (-2%), GSK reported.

- Advair Diskus
- Advair HFA
- Anoro Ellipta
- Arnuity Ellipta
- Breo Ellipta
- Incruse Ellipta

- Serevent Diskus
- Trelegy Ellipta
- Ventolin

The list does not include Flovent, which GSK took off the market in January and replaced with an authorized generic. Four products on the list have generic competition. Advair Diskus has both outside generic and authorized generic competition, as does Ventolin. Advair HFA and Breo Ellipta currently have competition from authorized generics.