

NEWS BRIEF

CMS Announces 2027 Prices for 15 Drugs, Including Wegovy



The Centers for Medicare and Medicaid Services (CMS) has finalized the latest round of [Medicare drug price negotiations](#), selecting 15 high-cost drugs covered under Medicare Part D for reduced pricing. These negotiated prices will apply to Medicare participants and are scheduled to take effect on Jan. 1, 2027, helping lower out-of-pocket costs for millions of seniors and delivering savings for taxpayers. These negotiations were completed in 2025. Notably, these negotiations will lead to lower prices for Ozempic, Rybelsus and Wegovy, popular glucagon-like peptide-1 (known as GLP-1) drugs manufactured by Novo Nordisk.

Under the Inflation Reduction Act of 2022, the [Medicare Drug Price Negotiation Program](#) allows the government to negotiate directly with drug manufacturers to improve access to some of the costliest brand-name drugs. The following 15 drugs were selected for the second cycle of Medicare Part D negotiations:

1. **Ozempic/Rybelsus/Wegovy**, for treating Type 2 diabetes and cardiovascular disease and promoting weight loss
2. **Trelegy Ellipta**, for treating chronic obstructive pulmonary disease (COPD) and asthma
3. **Xtandi**, for treating prostate cancer
4. **Pomalyst**, for treating multiple myeloma and Kaposi sarcoma
5. **Ofev**, for treating idiopathic pulmonary fibrosis
6. **Ibrance**, for treating breast cancer
7. **Linzess**, for treating irritable bowel syndrome (IBS) with constipation and chronic idiopathic constipation
8. **Calquence**, for treating mantle cell lymphoma and chronic lymphocytic leukemia or small lymphocytic lymphoma
9. **Austedo/Austedo XR**, for treating chorea in Huntington's disease or tardive dyskinesia
10. **Breo Ellipta**, for treating COPD and asthma
11. **Xifaxan**, for preventing hepatic encephalopathy and treating IBS with diarrhea
12. **Vraylar**, for treating bipolar I disorder, major depressive disorder and schizophrenia
13. **Tradjenta**, for treating Type 2 diabetes
14. **Janumet/Janumet XR**, for Type 2 diabetes
15. **Otezla**, for treating oral ulcers, plaque psoriasis and psoriatic arthritis

In 2024, more than 5.5 million people with Medicare Part D coverage used these drugs to treat various conditions. The new, lower Medicare prices would have saved the program \$12 billion if the lower negotiated prices had been in effect in 2024, according to the CMS.

Takeaway

The Medicare Drug Price Negotiation Program aims to lower out-of-pocket costs for millions of seniors and offer savings for taxpayers. The third round of Medicare drug price negotiations is scheduled to begin in early 2026; the next 15 high-cost drugs selected for negotiation are expected to be announced by Feb. 1. These negotiated prices apply to individuals enrolled in Medicare, and those covered can expect the new prices to take effect starting Jan. 1, 2027. Employers should continue to monitor health care trends, utilization, costs and spending. Contact us today for more information.

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