



Five Notable Trends at the HLTH 2024 Conference

(Source: A Staff Article for FiercePharma)

Healthcare executives, founders and clinicians met in Las Vegas for HLTH 2024 to learn how they could best tackle hard challenges, with compelling panel discussions and fireside chats covering diverse topics including GLP-1s, primary care, the future of psychedelics and wearables. Here are 5 notable trends from the conference.

Conversations about artificial intelligence are shifting. AI was by far the dominant theme at the conference, from new products being announced to sessions focused on ethical and safety issues to the marketing on exhibitors' booths.

"As a 40-year veteran in AI and medicine, this is a remarkable time for technology. It's a very exciting time. It's great to see and hear about the administrative applications," said Eric Horvitz, Microsoft's Chief Scientific Officer, speaking on stage at HLTH.

Vendors and exhibitors featured AI-enabled technologies, with a big emphasis on AI assistants and medical scribes. Big tech vendors like Microsoft, Nvidia and GE Healthcare highlighted their AI offerings on stage.

There is still a lot of hype about AI in healthcare, but the conversations around AI were more restrained than just a year ago as health systems, payers and tech companies tackle the challenges that still need to be addressed. Practical and serious conversations around standards and regulation are moving forward. Additionally, the Coalition for Health AI (CHAI) unveiled the first applied model card, completed by AI imaging company Aidoc. (Model cards are short documents provided with machine learning models that explain the context in which the models are intended to be used, details of the performance evaluation procedures and other relevant information.

As several executives pointed out, many hospitals and health systems are testing out AI copilots but it is unclear what comes next. Future adoption of AI tools will come down to accuracy and clinician trust, and will require partnering with reliable vendors.

AI gets considerable attention but there are a lot of companies focused on what's called the "picks and shovels" of healthcare to make healthcare data more accessible or building the pipelines for data to flow. All of this is necessary for AI to scale in healthcare.

"People are starting to realize the less compelling parts of healthcare are where the energy is needed, so, infrastructure, data, compliance, security, labeling and tagging, that is where people are realizing they need to pay attention," said Dr. Mitesh Rao, co-founder and CEO of healthcare data company OMNY Health.

Interoperability has been a key topic in healthcare for at least a decade and now federal regulations are moving the needle on data exchange. Rao and other executives say the movement to adopt AI is pushing advances in connecting different data sources.

Industry "middlemen" are under significant scrutiny. While the HLTH conference is focused on technology innovation, almost

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In Brief...

♦ **Walgreens** is expanding its virtual healthcare service to reach more patients. This expansion aims to increase access to healthcare from the comfort of home by allowing patients to connect with doctors and nurse practitioners via virtual consultations. Walgreens is also partnering with **Veeva Systems**, a provider of software, data and services for the life sciences industry. The partnership enriches Veeva data cloud products and allows Walgreens to better serve life sciences through access to Veeva Data Cloud and Veeva Clinical platform.

♦ **Pfizer Inc.** announced that the **U.S. Food and Drug Administration (FDA)** has approved **ABRYSCO** (Respiratory Syncytial Virus Vaccine), the company's bivalent *RSV prefusion F (RSV pre F)* vaccine, for the prevention of lower respiratory tract disease (LRTD) caused by RSV in individuals 18 through 59 years of age who are at increased risk for LRTD caused by RSV. **ABRYSCO** now offers the broadest RSV vaccine indication for adults, which previously included those 60 years and older. Additionally, it remains the only RSV immunization approved for pregnant individuals at 32 through 36 weeks of gestation to protect infants from birth up to 6 months of age. Separately, Pfizer is exploring an opportunity to divest its hospital drugs unit. The unit includes a portfolio of sterile injectables such as antibiotic brands, steroids and immune globulin products.

♦ The **HDA Research Foundation's 2024 edition of Specialty Pharmaceutical Distribution Facts, Figures and Trends** is

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Expanding Access to Weight-loss Drugs Could Save Thousands of Lives a Year

(Source: A Staff Article for World Pharma News)

Expanding access to new, highly effective weight-loss medications could prevent more than 40,000 deaths a year in the United States, according to a new study led by researchers at Yale School of Public Health and the University of Florida.

The findings highlight the critical need to remove existing barriers that are hindering people's access to effective weight loss treatments and impeding public health efforts to address the national obesity crisis, the researchers said. According to the U.S. Centers for Disease Control and Prevention, about 74% of Americans are considered overweight, with about 43% of those individuals considered obese.

Obesity exacerbates conditions such as type 2 diabetes, cardiovascular disease, and certain cancers. However development and deployment of highly effective treatments for obesity have been lacking. Recent advancements in pharmaceutical interventions, particularly the introduction of glucagon-like peptide-1 (GLP-1) receptor agonists, such as *Ozempic* and *Wegovy*, and dual gastric inhibitory polypeptide and GLP-1 (GIP/GLP-1) receptor agonists, such as *tirzepatide*, have demonstrated

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HLTH 2024 (cont'd.)...

every conversation about the future of healthcare gets back to issues of access and affordability for patients.

Pharmacy benefits managers have been in the spotlight as policymakers aim to bring down rising drug costs in the U.S.. During Congressional hearings, legislators have questioned the heads of the three largest PBMs about their business practices as well as vertical consolidation within the industry.

In September, the Federal Trade Commission sued the titans of the PBM industry for anti-competitive practices and artificially raising the price of insulin drug prices.

Amazon Pharmacy is a relatively newer player in the space and is betting big on its pharmacy unit, with the retail giant aiming to bring its focus on ease of use for consumers.

Amazon is investing in pharmacy logistics with plans to offer same-day delivery of prescription medications to 20 new cities in 2025, which more than doubles its current operations.

Rick Gates, senior vice president and chief pharmacy officer for Walgreens, said the retail drugstore giant is focused on better engaging consumers.

"We have to think about digital enhancements, digital check-in schedules; things that make it easier for consumers to actually engage with pharmacy," Gates said. "There's so many things that we can do but we're not making it easy enough for consumers."

Women's health in the limelight. Women's health took center stage at HLTH this year, when the First Lady of the United States, Jill Biden, Ph.D., announced at HLTH that the federal government granted US\$110 million in funding for women's health research and product development.

There were at least half a dozen sessions focused on women's health, reproductive health and supporting women at work. Investment in women's health rose by 5% between 2022 and 2023, according to a Deloitte report. But that still a miniscule percentage of investment in healthcare overall. Women's health represented just 2% of the US\$41.2 billion in venture funding that went to health companies in 2023.

Psychedelic medicine session draws a crowd. Psychedelic medicines are far from being mainstream but garnering plenty of interest from the healthcare industry.

The FDA's recent decision to delay the approval of psychedelic medicines has led the Department of Veterans Affairs and members of Congress to take more direct action. Discussions in Congress and at the state level are focused on finding another path forward to get these promising treatments in the hands of Veterans in need sooner.

The VA is taking a proactive approach by sponsoring research initiatives and establishing specific protocols for psychedelic studies in hopes to gain approval in the near term.

Weight Loss Drugs (cont'd.)...

substantial efficacy in weight loss.

In conducting their study, the researchers aimed to quantify the potential mortality impact of increased access to these weight-loss drugs. Current limitations on drug access are significant due to high costs and insurance restrictions.

According to the findings, if access to these new medications were expanded to include all eligible individuals, the U.S. could see up to 42,027 fewer deaths annually. This estimate includes approximately 11,769 deaths among individuals with type 2 diabetes - a group particularly vulnerable to the complications

of obesity. Even under current conditions of limited access, the researchers project that around 8,592 lives are saved each year, primarily among those with private insurance.

The study highlights a critical disparity in drug access. Currently, the high cost of these medications limits their availability. For example, Medicare does not cover these drugs for weight loss, impacting many who could benefit from them. Medicaid coverage varies widely by state, and private insurance often imposes high deductibles and copays, further restricting access.

The study also explored how expanded access could affect different regions and socioeconomic groups. States with high obesity and diabetes rates stand to benefit the most from increased medication availability. In these areas, expanding access could lead to the largest per capita reductions in mortality.

The study's authors caution several challenges remain, including the high price of these medications. There are also concerns about profit margins, supply constraints and production limitations. Researchers also considered the impact of socioeconomic factors on the effectiveness of expanded drug access, but found that even with these adjustments for income disparities, the potential for lives saved remains significant. The results suggest that improving access to these medications could reduce health care costs associated with obesity-related conditions and improve overall quality of life.

In Brief (cont.)

available, offering the latest insights into this unique marketplace. The publication shows that specialty distributors continued to provide efficiencies to the U.S. healthcare ecosystem, as the industry achieved a 99.4 percent order fill rate, delivering medications to provider customers in 1.3 days on average. To download, visit <https://hda.org/publications/95th-edition-hda-factbook-the-facts-figures-and-trends/>.

- ◆ **Cardinal Health** reported Q1 2025 revenue of US\$52.3 billion and Q1 GAAP operating earnings of US\$568 million. Q1 non-GAAP earnings increased 12% to US\$625 million, attributed to growth in the pharmaceutical and specialty solutions segment. Separately, Cardinal announced a US\$2.8 billion **Gastro MSO** acquisition that extends the company's specialty strategy in tandem with the March addition of Specialty Networks. Concurrently, the company announced it will purchase **Advanced Diabetes Supply Group** for US\$1.1 billion to bolster the fast growing at-home solutions business.

- ◆ The medtech industry is employing a "wait-and-see" and "we're prepared" mindset regarding 10%-20% tariffs on imported goods proposed by the incoming Trump administration. This follows years of global rebalancing in manufacturing in the wake of the COVID-19 pandemic. Still others described the issue as possibly problematic, but definitely top-of-mind. "So the tariffs that we're talking about would be very much related to raw materials—to the chips that we still buy there, and other things that will impact the industry in general," Baxter CEO *Jose Almeida* said Friday morning. "But we do not specifically make products in China for the U.S."

Sources: Company Press Releases, Drug Store News, FiercePharma, Reuters and World Pharma News