IMPACT OF THE INFLATION REDUCTION ACT ON AFREZZA ACCESS: A RETROSPECTIVE REVIEW OF TRX DISTRIBUTION FROM BASELINE Q4 2022 TO Q1 2024

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OBJECTIVE

To evaluate the change in Medicare Part D share of Afrezza relative to Rapid Acting Insulin (RAA) following the implementation of the Inflation Reduction Act (IRA) cap by comparing total prescription (TRx) between Q4 2022 and Q1 2024

CONCLUSIONS

- The introduction of the IRA cost cap enabled patients to: (i) improve access, (ii) gain share comparable to RAA, and (iii) stay on Afrezza treatment.
- Findings suggest policy-driven reduction in out-of-pocket costs can expand access to innovative treatment options, such as inhaled insulin.
- Increased utilization may also reflect heightened patient and prescriber awareness of insulin delivery options.

INTRODUCTION

The IRA was designed to lower patient out-of-pocket costs, enabling Medicare drug price negotiation and reducing overall prescription drug spending. Implemented on January 1, 2023, the IRA capped monthly insulin costs at $35 for Medicare Part D beneficiaries.

Inhaled insulin (Technosphere® insulin, Afrezza) is a dry powder consisting of microscopic carrier particles onto which recombinant human insulin is adsorbed. Studies have shown significant reduction in hemoglobin A1c in patients with type 2 diabetes, which may help Medicare plans improve their quality payment program outcomes.[1,2]

Payor restrictions, driven primarily by rebates, forced high out-of-pocket costs on patients due to the legacy Medicare Part D benefit design, resulting in Afrezza being placed in a non-preferred formulary status. Prior to the implementation of the IRA, patients were often unable to remain on therapy due to out-of-pocket costs. This shift in policy has had the potential to improve accessibility and optimize patient care.

This analysis assessed the impact following pre- and post-implementation of the IRA by comparing TRx distribution between Q4 2022 and Q1 2024 for Afrezza in comparison to RAA. RAA has historically had the lowest out-of-pocket cost for patients due to their preferred status.

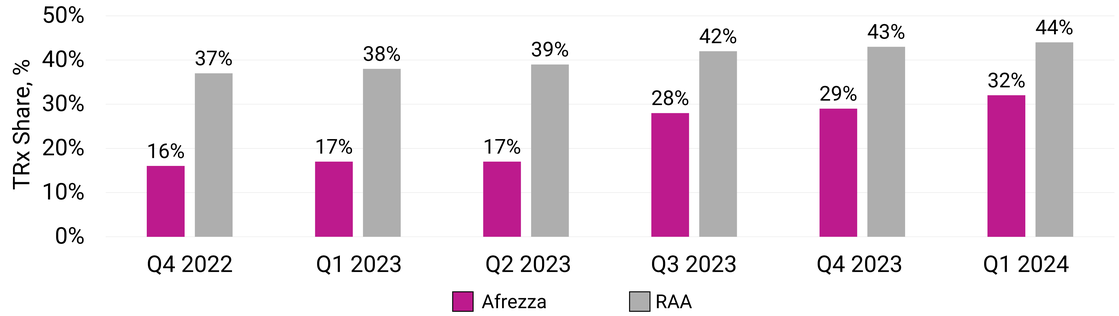
METHODS

A retrospective review was conducted using Afrezza's TRx payer-type distribution data obtained from IQVIA. TRx was categorized by payer type: Commercial, Medicaid, and Medicare Part D. Proportional TRx share by payer category was compared over a time period of Q4 2022 to Q1 2024 to assess early shifts in utilization following IRA implementation.

RESULTS & DISCUSSION

Between Q4 2022 and Q1 2024, the Medicare Part D share of Afrezza TRx increased from 16% to 32%, representing a doubling of treatment share during the first year of the IRA insulin cost cap, **Figure 1**. When removing the cost barrier, access to Afrezza approaches the RAA proportional share. Following implementation of the IRA, reduced cost burden may have enabled more patients to initiate and remain on Afrezza therapy.

Figure 1. Medicare Part D TRx Distribution of Afrezza Compared to RAA



Although the Medicare share of Afrezza TRx was lower prior to the IRA, post-IRA trends indicate improved accessibility, with TRx share becoming more comparable to that observed with RAA.

Figure 2. Afrezza TRx Distribution By Payer Type, Quarterly

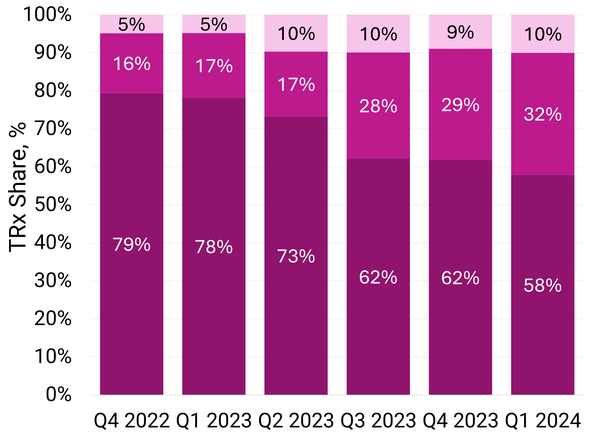
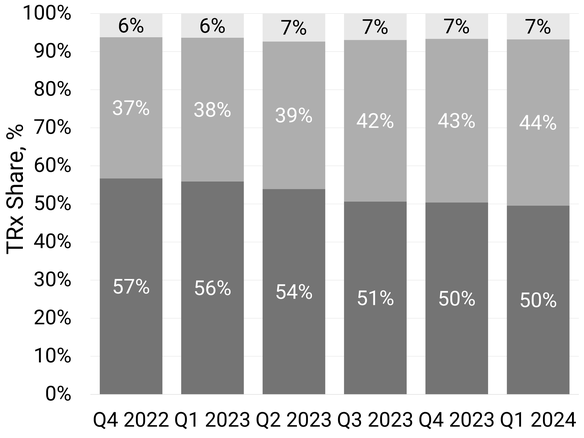


Figure 3. RAA TRx Distribution By Payer Type, Quarterly



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2. Levin P, at al. *Endocr Pract*. 2021;27(5):449-454.