TELUS Health

2025

Drug Pipeline:
What private plans need to know.

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Contents

Introduction

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At the start of this year, approximately 17,700 drugs were under development in Canada, down slightly from the 18,000 reported at the start of 2024 but still well ahead of the 16,200 reported in 2023. About one in six this year (2,900) are in the final, phase-3 stage of development.

From this large pool of potential new medications, fewer than 200 will make it to Health Canada for regulatory review. Health Canada is currently evaluating 159 submissions, up somewhat from the previous two years at this point (120 in 2024 and 123 in 2023) and comparable to 2022 (142) and 2021 (150).

Just over half of this year's submissions (58 per cent) are for new drugs, consistent with the previous four years, and the remaining submissions are for new or expanded indications for drugs already on the market.

The 2025 Drug Pipeline report takes a closer look at 10 new drugs to consider their anticipated impact on private drug plans and workplace productivity, including two breakthrough medications for Alzheimer's disease. Other new medications of interest to plan sponsors are in the areas of psoriasis, migraine and attention deficit hyperactivity disorder. The report also provides an update on three upcoming drugs for weight management, although none have yet been submitted to Health Canada for review.

The 2025 edition of the Drug Pipeline report wraps up with summaries of what private drug insurers can expect for generic and biosimilar drugs. More than 30 generics are on their way for several diabetes medications that helped push the category to the top of the drug-spend list over the past decade. Meanwhile, the pipeline for biosimilars remains robust, with more than 30 primed to deliver savings to private drug plans (some of which have already launched).

Health Canada is reviewing two drugs that, if approved, will be the first in Canada to slow down Alzheimer's disease in its early stages—and private drug plans could see claims from the small subset of patients with young-onset AD (i.e., diagnosed before the age of 65, also referred to as early-onset AD).

Both are biologics: Leqembi (active ingredient: lecanemab), manufactured by Eisai in partnership with Biogen, and Kisunla (donanemab) from Eli Lilly. They are the first disease-modifying therapies for AD, meaning they slow the progression of the disease by getting at its underlying cause, i.e., by removing or reducing the production of amyloid plaques in the brain.

The expected list price for Leqembi in Canada is approximately $30,000 per year. While it's too soon to know pricing for Kisunla, Eli Lilly has indicated list prices in the U.S. of approximately US $32,000 for 12 months (CDN $46,000) and US $48,700 (CDN $70,200) for 18 months (Kisunla's maximum duration of therapy).

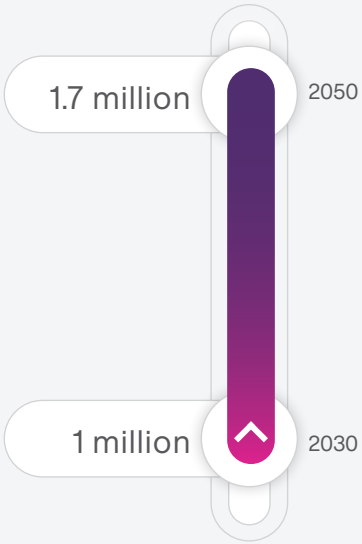
It's worth noting that Leqembi and Kisunla were preceded by Aduhelm (aducanumab). Aduhelm's manufacturer, Biogen, withdrew the drug from Health Canada review in June 2022 and, in January 2024, discontinued its development and commercialization worldwide. The drug had been dogged by controversy since its fast-track approval by the U.S. Food and Drug Administration (FDA) in 2021, which had prompted the resignation of three FDA expert advisors due to concerns over safety and insufficient evidence of meaningful clinical benefits.

In announcing Aduhelm's discontinuation, Biogen stated it was reprioritizing resources to develop other drugs for AD, including partnering with Eisai to bring Leqembi to market.

Both Leqembi and Kisunla are indicated for AD in its early stages, when cognitive impairment is mild. Phase 3 clinical trials for both drugs showed disease-progression slowed by 27 per cent (Leqembi) or 22 per cent (Kisunla) on average. Put another way, disease-worsening occurred four to seven months later, on average, for patients taking one of these drugs compared to those not taking either drug.

Canadians living with **dementia**

2% (about 750,000 Canadians)



While regulatory bodies around the world are approving the two biologic drugs, the decisions of health technology assessment (HTA) agencies, which recommend whether a drug should be reimbursed by public plans, have varied.

In the U.S., the FDA approved Leqembi in January 2023 under its accelerated approval pathway, describing it and medications like it as "an important advancement in the ongoing fight to effectively treat Alzheimer's disease." Full FDA approval occurred in July 2023, following a "confirmatory trial" to verify the drug's clinical benefit, and at that point public coverage became available under the Medicare and Medicaid plans.

The United Kingdom's regulatory agency approved both Leqembi and Kisunla in the latter half of 2024 but its HTA, the National Institute for Health and Care Excellence (NICE), has so far recommended against coverage by the National Health Service (NHS). In its decision for Leqembi, NICE stated, "the reality is that the benefits…are just too small to justify the significant cost to the NHS."

NICE's final guidance on public funding is scheduled for March 2025 for Kisunla, while the timing is still to be confirmed for Leqembi.

In Canada, both Health Canada and Canada's Drug Agency (CDA, Canada's HTA; formerly CADTH, the Canadian Agency for Drugs and Technologies in Health) appear to be exercising extra caution. Almost two years have passed since Health Canada began its review of Leqembi in May 2023 and over a year has passed since it began reviewing Kisunla in February 2024. Normally, the agency completes a review in just under one year. Meanwhile, the CDA suspended its reimbursement review of Leqembi in the summer of 2024 and of Kisunla in December 2024, possibly due to requests for more information (though the details of reviews are not made public while they are underway).

What does all this mean for private drug plans in Canada? If these medications are approved by Health Canada—which is still widely expected to happen, likely starting with Kisunla by the end of 2025—private and public payors alike may have to make difficult decisions about coverage.

For private payors, the subset of patients with young-onset AD is small. The current estimate is 27,000 to 31,500 people nationally, most diagnosed in their 40s, 50s or early 60s. This represents about six per cent of the total AD population (450,000 to 525,000). However, given their relatively young age at diagnosis, their desire for medications that will slow the disease in its early stages will likely be high.

AD is the most common form of dementia, which currently affects two per cent of the total population (i.e., about 750,000 Canadians). The Alzheimer Society estimates there are more than 150,000 new cases of dementia a year—which translates into about 100,000 new cases of AD and 6,000 new cases of young-onset AD.

The Alzheimer Society estimates that by 2030, nearly one million Canadians will be living with dementia (187,000 new cases annually), increasing to 1.7 million (250,000 new cases annually) by 2050. It's not known whether the incidence of young-onset AD will similarly accelerate.

While Leqembi and Kisunla are currently administered by intravenous (IV) infusion in hospitals or private clinics, a self-injectable format is likely, which will increase the budget impact on private plans. In fact, Eisai has developed an autoinjector pen for Leqembi that is currently under licence review by the FDA.

Breakthrough diagnostics

New diagnostic tools will also increase demand for these disease-modifying therapies.

Currently, confirmation of an AD diagnosis requires a brain scan or spinal tap, for which wait times can be long. One new diagnostic device, the PrecivityAD2 (launched in August 2024 by C2N Diagnostics), requires only a simple blood test in the doctor's office. It is intended for use in people aged 55 and older with signs of mild cognitive impairment, such as forgetfulness. Other easy-to-use devices are also under development.

A July 2024 study found that PrecivityAD2 had an accuracy rate of 90 per cent in diagnosing AD, compared to 61 per cent using the current standard of care (i.e., a clinical exam, cognitive testing and a CT brain scan).[1]

In January 2025, the Toronto Memory Program became the first clinic in Canada to offer the PrecivityAD2 blood test—and patients may turn to their private drug plan for coverage. While the Toronto clinic has not publicly disclosed the cost, the PrecivityAD2 blood test has a price tag of US $1,450 in the U.S., which converts to about $2,100 in Canada. C2N has stated it offers financial assistance to patients.

Psoriasis is a chronic inflammatory autoimmune disease that affects the skin, joints and possibly other organs. About one million Canadians have psoriasis, or two to three per cent of the population. Most experience the onset of symptoms between the ages of 15 and 35.

Plaque psoriasis is the most common form of the disease, affecting nine out of 10 people with psoriasis. The chronic skin condition causes patches of raised, inflamed and scaly skin.

The first line of treatment almost always includes a corticosteroid, most often applied topically as a cream or ointment. Some patients require a systemic (oral) corticosteroid. The annual cost can range from several hundred to several thousand dollars.

However, prolonged or improper use of corticosteroids can result in serious adverse effects, including skin thinning, skin atrophy, Cushing's syndrome and diabetes (among other systemic chronic conditions).

An alternative to steroids is emerging: non-steroidal topical treatments for mild, moderate and severe plaque psoriasis, providing additional topical options that use different mechanisms of action. The first, Zoryve (roflumilast) by Arcutis Biotherapeutics, has been available in Canada since June 2023. The cost is $270 per four-week cycle and positive results typically occur within eight weeks. In fact, the CDA recommends reimbursement discontinue after eight weeks.

The next non-steroidal topical treatment, Vtama (tapinarof), is now in the pipeline. Clinical trials reported "clear" or "almost clear" skin for 35 to 40 per cent of patients after 12 weeks.[2]

Originally developed by Canadian scientists, Vtama was submitted to Health Canada for review by its manufacturer, Organon, in May 2023. Given the extended period of time under review, the timing of its approval is uncertain—it could be imminent or may extend into 2026 if Health Canada has requested more information from Organon. The FDA approved Vtama in May 2022.

While Canadian pricing will not be known until the product is approved, retail prices of Vtama in the U.S. range from approximately US $1,300 to $1,900 (CDN $1,800 to $2,700) per 60-gram tube.

Also on the horizon, for moderate to severe plaque psoriasis, is an oral therapy from Johnson & Johnson that uses the active ingredient icotrokinra (brand name to be announced). While yet to be submitted to any regulatory body, topline results from phase 3 clinical trials are very promising: three out of four study participants achieved "clear" or "almost clear" skin after 24 weeks, reports a November 2024 press release from Johnson & Johnson.

Top non-steroidal topical treatments for **plaque psoriasis**

Zoryve (roflumilast)

8 weeks

positive results

Vtama (tapinarof)

12 weeks

positive results

The main active ingredient in medications introduced decades ago, and long genericized, may be "reborn" in new formats that improve disease management or as new treatments for entirely different conditions. The 2025 Drug Pipeline report highlights three that are of interest to employers with prescription drug plans.

Elyxyb for migraine

Celecoxib, a non-steroidal anti-inflammatory drug (NSAID) that first became available in Canada in 1999 as capsules under the brand name of Celebrex, manufactured by Pfizer, is seeking to serve a new patient population as Elyxyb, manufactured by Scilex Pharmaceuticals.

Celebrex and its generic equivalents continue to be prescribed as a first-line therapy for osteoarthritis and may be part of treatment for rheumatoid arthritis and ankylosing spondylitis. Celecoxib may also be used to manage short-term acute pain, for example due to injury or surgery. Patients typically feel the capsule's effects within three hours of consumption.

The annual retail cost of celecoxib when used for the chronic conditions listed above is between $150 and $700.

Enter Elyxyb, which uses celecoxib for the treatment of acute migraine. As an oral solution, it can begin to take effect as quickly as 15 minutes after consumption and typically within an hour. Its speedy onset of action can be the difference between success or failure in migraine management.

Health Canada began its review of Elyxyb in February 2024 and approval is expected early in 2025. FDA approval occurred in May 2020.

While the pricing of Elyxyb is not yet available in Canada, its retail cost south of the border is approximately US $1,000 for six doses (US $167 per dose). An average annual cost is difficult to calculate given that the frequency of migraine varies significantly by person, from as few as one a year to as many as one or more a week. Elyxyb's prescribing information indicates using the medication "for the fewest number of days per month, as needed."

Elyxyb will be competing against two other relatively recent entries for acute migraine: Ubrelvy (ubrogepant), approved by Health Canada in November 2022, and Nurtec ODT (rimegepant), approved in December 2023. Both are calcitonin-gene related peptide (CGRP) inhibitors, a new drug class for migraine that emerged in 2018. The unit cost in Canada is $28 to $33 per tablet for Ubrelvy and about $23 for Nurtec ODT. The CGRP class also includes options for prevention of chronic migraine.

The global prevalence of migraine is 15 per cent, which translates into approximately six million Canadians today. A 2022 Canadian study suggests the actual prevalence is higher due to underdiagnosis.[3]

Jornay PM for ADHD

Methylphenidate has treated attention deficit hyperactivity disorder (ADHD) since the 1960s, marketed under brand names such as Ritalin and Concerta. Drugs using other active ingredients have also long been available, resulting in a category that is heavily genericized. The cost for a 30-day supply of these drugs ranges from $10 to $310.

In November 2024, Health Canada approved the latest novel drug using methylphenidate: Jornay PM, the first delayed- and extended-release product for patients aged six to 12 years. The FDA approved the drug in August 2018. It is manufactured by Ironshore Pharmaceuticals & Development.

Early-morning functioning can be the most difficult aspect of ADHD management. Jornay PM's onset of action begins approximately 10 hours after it is consumed in the evening, enabling patients to experience symptom control from the time of awakening.

The cost of Jornay PM in Canada is not yet known. In the U.S., a bottle of 100 capsules retails for approximately US $1,600 (CDN $2,200), which translates into US $480 (CDN $685) for a 30-day supply and US $5,760 annually (CDN $8,200).

The Centre for ADHD Awareness, Canada estimates that ADHD affects five to seven per cent of children and four to six per cent of adults, or just under two million Canadians. From 2009 to 2023, the number of claimants taking medication for ADHD grew by at least 10 per cent in all but four of the 16 years, reports TELUS Health's 2024 Drug Data Trends & National Benchmarks report.

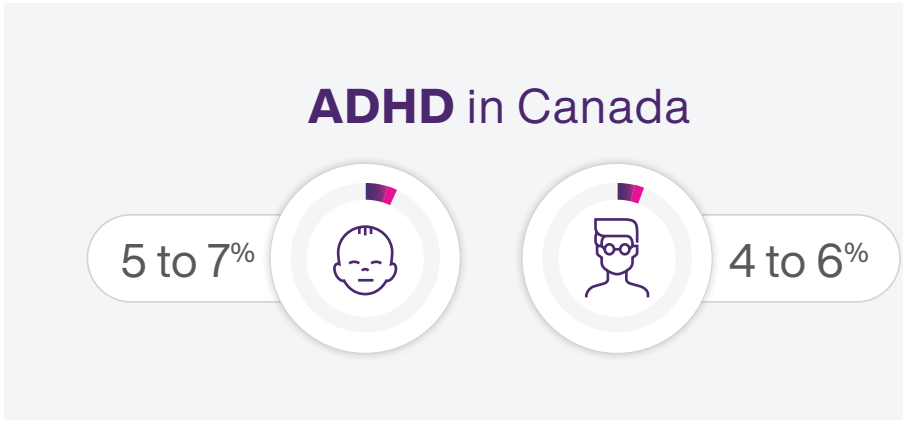
Xipere for macular edema

Triamcinolone acetonide is a commonly prescribed topical corticosteroid, used for decades to help relieve skin conditions such as atopic dermatitis and plaque psoriasis. It has also long been available as a non-prescription nasal spray to alleviate the symptoms of allergic rhinitis. The cost? Usually less than a dollar per use.

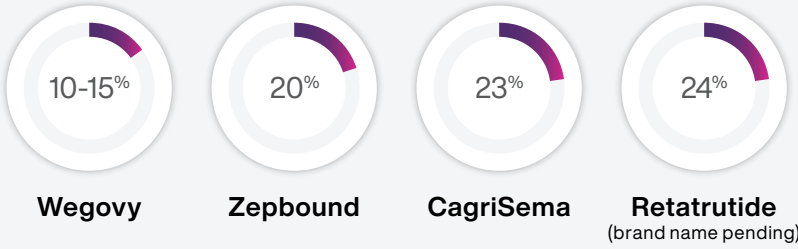
Triamcinolone acetonide will soon enter the rare-disease space as the first therapy for macular edema (swelling of the eye) associated with uveitis, which is inflammation inside the eye. It also breaks ground as the first therapy to be injected into the suprachoroidal space, or the back of the eye, enabling a more targeted delivery and reducing the risk of side effects.

Manufacturer Bausch and Lomb submitted the drug, to be marketed under the brand name of Xipere, to Health Canada in March 2024. FDA gave its approval in October 2021. Xipere's cost in the U.S. is about US $1,700 per treatment (CDN $2,400).

While uveitis is rare, it is a leading cause of blindness in the working-age population of the developed world. Uveitis can result from an infection, such as shingles or an eye infection, or from autoimmune diseases such as rheumatoid arthritis and multiple sclerosis. It can become a chronic condition.



Weight-management drugs (average weight loss)



Wegovy | **Zepbound** | **CagriSema** | **Retatrutide** (brand name pending)

No new weight-management drugs are currently under review by Health Canada, leaving Wegovy (semaglutide), manufactured by Novo Nordisk, as the only option in Canada.

However, several new options wait in the wings, including Eli Lilly's Zepbound (tirzepatide), approved by the FDA in November 2023. Clinical trials showed an average weight loss of about 20 per cent (compared to 10 to 15 per cent for Wegovy). Eli Lilly has not publicly stated why it has not submitted Zepbound to Health Canada for review, though supply challenges due to high levels of demand in the U.S. and other markets may be a factor.

Also expected from Novo Nordisk is CagriSema (semaglutide-cagrilintide), currently undergoing phase 3 clinical trials. Topline results released in December 2024 for one trial show an average weight loss of 23 per cent. Novo Nordisk has stated it plans to submit CagriSema to regulatory authorities during the first half of 2026.

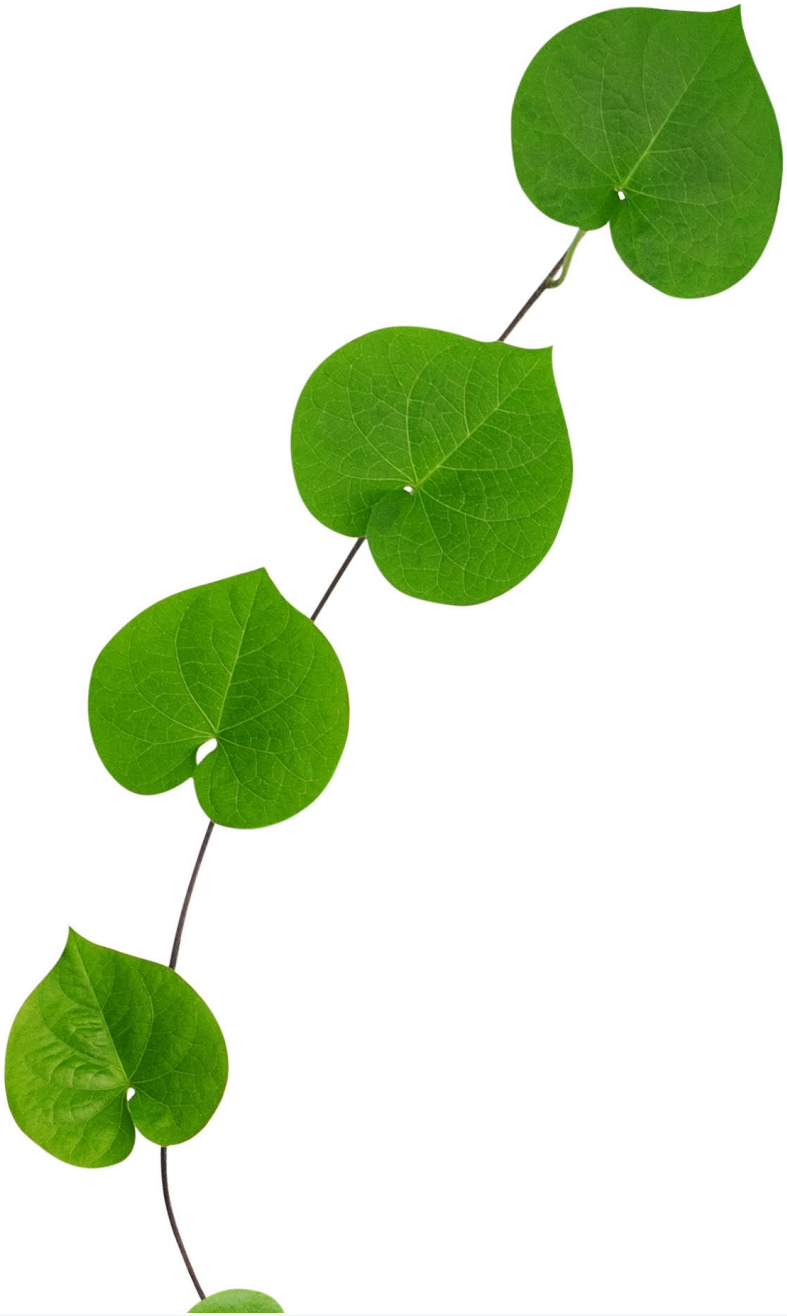
Clinical trials are also underway for Eli Lilly's retatrutide (brand name pending). It will be the first triple-hormone-receptor agonist, meaning it will target three different hunger-regulating hormones. A phase 2 clinical trial achieved a mean weight reduction of 24 per cent. Eli Lilly has announced that phase 3 trials will be completed by the end of 2025.

Finally, generics are on the horizon for weight management drugs. The patent for Saxenda (liraglutide) expired in November 2024 and the patent for Wegovy is set to expire in March 2026. However, the cost savings are difficult to predict since these medications do not fall under the purview of Canada's Generic Tiered Pricing Framework, which dictates the price of generics for drugs listed on provincial formularies (and those prices apply for private plans as well). Since public plans do not cover Saxenda or Wegovy, following the recommendation of the CDA not to reimburse, the manufacturers of the generics will determine pricing.

Table 1 – 2025 new drug pipeline summary for private plans, by disease or indication

Disease or indication	Brand name	Drug format	Health Canada (HC) status; expected market launch	Estimated list price	Potential impact on private plans
Alzheimer's disease (early stages)	Kisunla	Intravenous infusion (self-injection likely in future)	HC review initiated February 2024; approval anticipated by end of 2025	Unknown for Canada; US $32,000 for 12 months	Medium
Alzheimer's disease (early stages)	Leqembi	Intravenous infusion (self-injection likely in future)	HC review initiated May 2023; approval anticipated by end of 2025	$30,000 for 12 months	Medium
Attention deficit hyperactivity disorder (ADHD)	Jornay PM	Oral solid	Approved November 2024; market launch expected by end of 2025	Unknown for Canada; US $5,800 annually	Medium
Macular edema associated with uveitis	Xipere	Injection	HC review initiated March 2024; approval anticipated in 2025	Unknown for Canada; US $1,700 per treatment	Low
Migraine (acute)	Elyxyb	Oral solution	HC review initiated February 2024; approval anticipated early 2025	Unknown for Canada; US $1,000 for six doses	Low
Plaque psoriasis (moderate to severe)	icotrokinra (brand name pending)	Oral solid	Phase 3 clinical trial; HC submission anticipated in 2026	Not available	To be determined based on cost
Plaque psoriasis	Vtama	Topical	HC review initiated May 2023; approval anticipated in 2025 or 2026	Unknown for Canada; US $1,300 to $1,900 for 60-gram tube	Medium
Weight management	CagriSema	Self-injection	Phase 3 clinical trial; HC submission anticipated in 2026	Not available	High
Weight management	retatrutide (brand name pending)	Self-injection	Phase 3 clinical trial; HC submission anticipated in 2026	Not available	High
Weight management	Zepbound	Self-injection	HC submission pending	Unknown for Canada; US $4,800 to $12,700 annually	High

Source: TELUS Health, 2025 Drug Pipeline report



Anticipation builds for the second wave of generics to become available as second-line therapies for type 2 diabetes, for which the annual eligible amount submitted to private drug plans is currently at least $1,000 per claimant. Most of these generics will be priced at 25 per cent of the brand-name price, lowering the annual eligible amount to about $250. At this time, 34 generic options for these drugs are under review by Health Canada.

The first wave began in 2022, when generic options became available for the oldest of the second-line therapies, known as DPP-4 inhibitors. Most of the coming second wave are SGLT2 inhibitors, which cost more than DPP-4s and have a higher utilization rate.

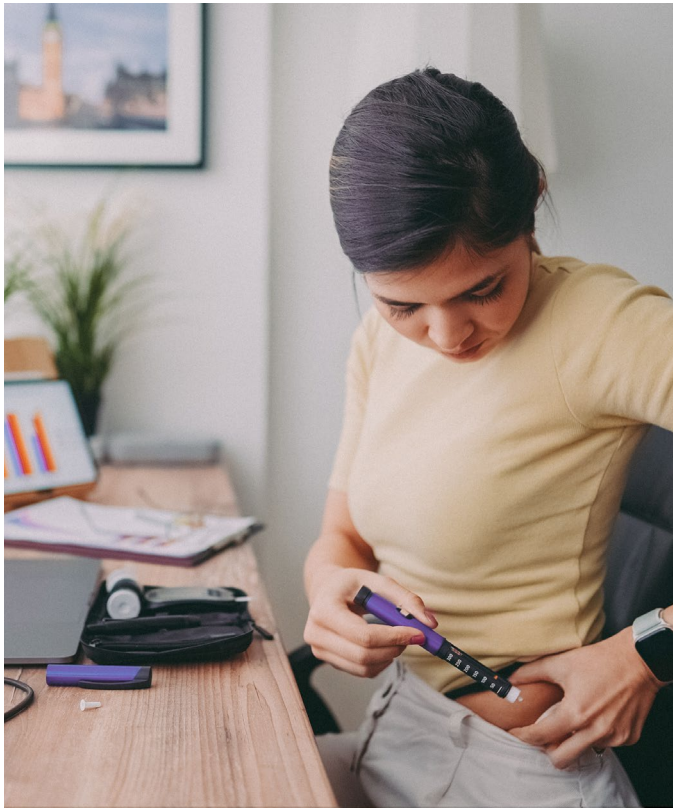
However, patent litigation will delay both approvals and commercialization until 2026 or 2027 for most of these generics, with two exceptions: Jardiance (empagliflozin) and Victoza (liraglutide), for which up to 16 generic options (combined) may be available by the end of 2025.

Liraglutide is also worth noting because it will be the first in the drug class of GLP-1 RAs to be genericized, likely by the end of 2025. GLP-1 RAs are more utilized and more costly than both DPP-4s and SGLT2s, with an annual average eligible cost per claimant of $1,700. The patent for the most popular GLP-1 RA, Ozempic (semaglutide), will expire in March 2026 and generics are expected by the end of that year or early in 2027.

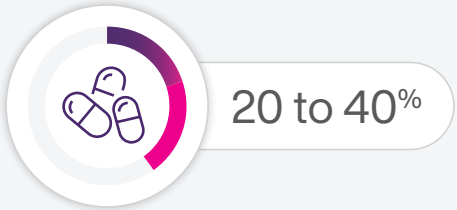
Table 2 – New generic drugs, by disease or indication

Disease or indication	Reference drug name	Brand name	Potential number of generics	Anticipated launch of first generic
Allergy	Rupatadine fumarate	Rupall	3	Late 2025
Asthma	Formoterol fumarate dihydrate, mometasone furoate	Zenhale	1	Late 2025 or early 2026
Chronic obstructive pulmonary disease (COPD)	Glycopyrronium bromide	Seebri	1	Late 2025 or early 2026
Diabetes (type 2)	Canagliflozin	Invokana	5	Pending patent litigation; approvals and launches anticipated in 2026 or 2027
Diabetes (type 2)	Empagliflozin	Jardiance	10	Pending patent litigation; approvals and launches anticipated by late 2025
Diabetes (type 2)	Linagliptin	Trajenta	10	Pending patent litigation; approvals and launches anticipated in 2026 or 2027
Diabetes (type 2)	Linagliptin, metformin hydrochloride	Jentadueto	3	Pending patent litigation; approvals and launches anticipated in 2026 or 2027
Diabetes (type 2)	Liraglutide	Victoza	6	Late 2025
Dry eye	Lifitegrast	Xiidra	1	Late 2025 or early 2026
Human immunodeficiency virus (HIV)	Abacavir sulfate, dolutegravir sodium, lamivudine	Triumeq	3	Early 2026
Menopause	Ethinyl estradiol, norethindrone acetate	Activelle or Estalis	2	Late 2025 or early 2026
Mental health: bipolar, schizophrenia	Aripiprazole	Abilify	3	Late 2025 or early 2026
Mental health: depression	Vilazodone hydrochloride	Viibryd	1	Mid 2025
Mental health: depression	Vortioxetine hydrobromide	Trintellix	2	Mid 2025
Mental health: depression, schizophrenia	Brexpiprazole	Rexulti	6	Late 2025

Source: TELUS Health, 2025 Drug Pipeline report



Biosimilar cost savings



As of January 2025, Health Canada has approved 65 biosimilar biologic drugs since 2009, according to a tally by intellectual property firm Smart & Biggar. The pipeline remains robust, which is good news for payors. Biosimilars are generally priced 20 to 40 per cent lower than the originator biologic.

Aflibercept (originator biologic brand name: Eylea) – Five biosimilars for Eylea are under review, several since 2022 and 2023. Approvals are expected this year, but ongoing patent litigation by the originator biologic's manufacturer may delay commercialization. Aflibercept treats several eye diseases including macular degeneration, which affects about 2.5 million Canadians and is the leading cause of vision loss in people older than 55.[4]

Denosumab (Prolia and Xgeva) – The first biosimilar for each of Prolia (biosimilar brand name Jubbonti) and Xgeva (brand name Wyost) became available in 2024 and an additional 11 biosimilars are currently under review. Denosumab treats bone diseases, including osteoporosis in post-menopausal women and bone metastasis (bone loss due to the spread of cancer).

Eculizumab (Soliris) – Patent litigation continues to delay biosimilar options for Soliris, dubbed the world's most expensive drug when it launched in 2007 with an average annual cost of $700,000. A biosimilar has yet to be approved in Canada, although three are currently under review. Eculizumab treats extremely rare, life-threatening blood disorders.

Natalizumab (Tysabri) – Health Canada's approval of the first—and only, at this time—biosimilar for Tysabri is expected shortly, with possible market launch by mid-year. Natalizumab treats multiple sclerosis and Crohn's disease.

Omalizumab (Xolair) – Health Canada approved the first biosimilar (brand name Omlyclo) for Xolair in December 2024. No others are currently under review. Omalizumab treats chronic obstructive lung diseases, including moderate to severe persistent asthma. Asthma is the third most common chronic disease in Canada, affecting more than 4.6 million Canadians, according to Asthma Canada.

Tocilizumab (Actemra) – Health Canada approved the first biosimilar option (brand name Tyenne) for Actemra in October 2024 and market launch is expected during the first half of 2025. One more biosimilar is currently under review. Tocilizumab treats autoimmune diseases such as rheumatoid arthritis and juvenile idiopathic arthritis.

Ustekinumab (Stelara) – For years, Stelara has ranked high on the top-10 list of drugs covered by private drug plans. Health Canada approved the first five biosimilars for Stelara in 2024; three of those (Jamteki, Wezlana and Steqeyma) are now on the market and the remaining two (Otulfi and Pyzchiva) are expected in 2025. Another two biosimilars are currently under review. Ustekinumab treats inflammatory bowel disease, psoriasis and psoriatic arthritis.

Table 3 – New biosimilar drugs

Reference drug name	Originator biologic brand name	Potential number of biosimilars	Disease or indication	Market launch
Aflibercept	Eylea	5	Macular degeneration	2025 or 2026 (pending litigation)
Denosumab	Prolia and Xgeva	13	Bone diseases, e.g., osteoporosis, bone metastasis	2 launched in 2024, remaining 11 expected in 2025
Eculizumab	Soliris	3	Blood disorders	2025 (pending litigation)
Natalizumab	Tysabri	1	Multiple sclerosis, Crohn's disease	Q2 2025
Omalizumab	Xolair	1	Chronic obstructive lung diseases	2025
Tocilizumab	Actemra	2	Autoimmune diseases, e.g., rheumatoid arthritis, juvenile idiopathic arthritis	1 to launch by Q2 2025, remaining 1 by end of 2025 or early 2026
Ustekinumab	Stelara	7	Inflammatory bowel disease, psoriasis, psoriatic arthritis	3 launched in 2024, remaining 4 expected in 2025

Source: TELUS Health, 2025 Drug Pipeline report

Seven of the 10 therapies highlighted in this 2025 Drug Pipeline report may have a high or medium budget impact on private drug plans. On the flip side, a steady stream of generics and biosimilars will bring down the drug-plan spend, including in categories on the top-10 list.

"Bated breath" is a term that aptly describes both sides of the coin. For example, plan sponsors are experiencing somewhat of a reprieve in the blockbuster weight-management category. While Wegovy did launch in 2024, Zepbound—with weight-loss results that may be as much as twice that of Wegovy's—has yet to even cross Health Canada's door. Supply issues in the U.S. and other markets may be staying the manufacturer's hand. And the two other main contenders in the category, with results even better than Zepbound's, likely won't be on pharmacies' shelves until 2027.

Medications for Alzheimer's disease are not normally associated with private plans. But that's about to change. Plan members in their 40s, 50s and 60s diagnosed with young-onset (also referred to as early-onset) Alzheimer's will turn to their drug plan for coverage of the first two biologic drugs that slow the progression of the disease in its early stages. While some reimbursement reviews in other countries recommend against coverage by public plans, stating the clinical outcomes do not justify the cost and potential risks to patients, it is safe to assume that this is just the beginning of a new drug class against a dreaded disease. Successive medications will be more effective, lower-risk and generate greater demand—though the cost will likely remain high, possibly upwards of $30,000 for 12 months of treatment.

On the savings side, more than 30 generics await the resolution of patent litigation before they can bring down costs in the diabetes category, the number-one category for drug-plan spend. While they don't yet include a generic for Ozempic, the drug most responsible for the category's rise, that too is coming, likely in 2026 or 2027.

This report highlights 32 biosimilars recently approved or under review by Health Canada. Once marketed, these biosimilars will expand the total available in Canada by half, from 65 to 97. Plan sponsors can expect this rate of growth to continue for one or two more years.

Lastly, this report gives three examples of how a drug's life cycle may extend beyond that of the originator brand followed by lower-cost generics or biosimilars. Celecoxib, originally for joint pain or short-term acute pain, has been reinvented as a fast-acting treatment for acute migraine. The second drug, triamcinolone acetonide—a common, inexpensive corticosteroid for skin conditions and allergies—has been transformed into the first therapy for a rare eye disease. Finally, the third example, methylphenidate, has treated attention deficit hyperactivity disorder (ADHD) since the 1960s and annual costs can be as low as $120. It is returning to originator-brand status as the first-ever delayed- and extended-release format for ADHD—with an expected annual cost in the thousands of dollars.

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