

GLP-1 market trends

A battle of the orals is shaping up in the weight loss space

Next wave in GLP-1s: Oral agents offer greater convenience

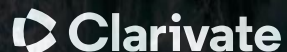
Key coverage and formulary trends

- Lilly's Foundayo, launched in early April, 2026 as the second-to-market oral GLP-1 agents for weight loss after Novo Nordisk's oral formulation of Wegovy, which debuted in January 2026. While Foundayo offers more flexible dosing, safety concerns flagged by FDA have tempered enthusiasm. Oral Wegovy's early market entry has led to its inclusion in formularies.
- Novo's Wegovy injectable continues to dominate commercial formularies, maintaining the broadest coverage and most frequent preferred positioning, followed by Zepbound. Saxenda's position is increasingly vulnerable as formularies cap the number of obesity agents and shift focus to newer oral options. As a result, competition is narrowing to a small set of therapeutics.
- Enthusiasm for weight loss drug coverage among Medicaid payers is in decline. Wegovy and Zepbound enjoy equal preference, but preferential coverage has fallen from 40% of membership to 20% of Medicaid lives in 6 months, as many formularies have dumped them into non-preferred tiers. In parallel, the use of prior authorization and step therapy has increased.



Learn more about the impact of GLP-1s in Clarivate's DRG Fingertip foundations products [here](#).

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Zepbound is catching up with Wegovy, DRG Fingertip data shows:

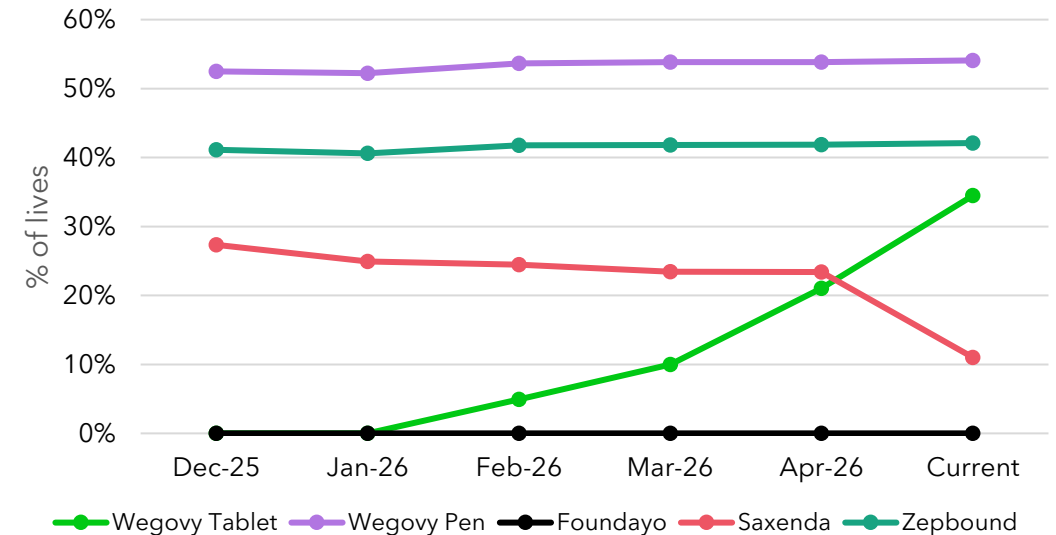


Figure 1. U.S. Fingertip formulary data for GLP1 drugs

Implications for key stakeholders:

- Oral therapies offer clear convenience benefits, but injectable GLP-1s continue to demonstrate superior weight loss efficacy. As a result, oral formulations may increasingly be viewed as potential maintenance options following optimal weight reduction with injectable therapies.
- Programs like NovoCare and LillyDirect introduce some pressure on the traditional rebate-driven PBM-insurer model, but they are unlikely to materially reduce insurer negotiation power in the near term. Instead, they function more as parallel access channels and negotiation leverage rather than a full replacement.
- Currently, underinsured and uninsured patients are the primary patient pool for DTC. However, in the near future, as both Lilly and Novo signal direct-to-employer expansion, self-insured employers may shift towards rebate-free DTE models, while PBM negotiations would drive most formulary decisions for other plans.
- Novo announced a planned WAC/list-price reduction for Wegovy, effective January 1, 2027. As cash-pay prices become more visible, volume-linked guarantees or other mechanisms may lead negotiations with PBMs.