

## —Inflation Reduction Act Research Series— Farxiga: Medicare Enrollee Use and Spending

This Fact Sheet provides information on **Farxiga**, one of the 10 drugs selected for the first cycle of Medicare drug price negotiations. Farxiga (active ingredient dapagliflozin) is a small molecule drug used to treat diabetes, heart failure, and chronic kidney disease. These conditions are prevalent among the Medicare population. For example, about 28 percent of Medicare enrollees have diabetes, 15 percent have been diagnosed with heart failure, and about 1 in 4 enrollees have chronic kidney disease.

- Between 2018 and 2022, average annual total Part D spending per enrollee taking Farxiga (i.e., the total amount, including Medicare, plan, and enrollee payments, spent on Farxiga per person) increased by 31 percent (from \$3,093 to \$4,046).
- From 2018 through 2022, the average annual out-of-pocket spending per enrollee increased by 26 percent (from \$206 to \$260).

Table 1 presents data on utilization and spending for Farxiga among Part D enrollees. About 639,000 Part D enrollees filled prescriptions for Farxiga in 2022. Relative to the total Part D population, a greater share of Farxiga users were men (54 percent vs. 44 percent), between ages 65 to 69 (26 percent vs. 22 percent), Black non-Latinos (16 percent vs. 11 percent), and Latinos (14 percent vs. 10 percent).

**Table 1. Medicare Part D Use and Spending on Farxiga, Calendar Year (CY) 2022**

	Total Enrollees	LIS Enrollees <sup>a</sup>	Non LIS Enrollees
<b>Number of Part D Enrollees</b>	53,063,000	14,957,000	38,106,000
<b>Number of Enrollees Taking Farxiga</b>	639,000	280,000	359,000
<b>Share of Part D Enrollees Taking Farxiga</b>	1%	2%	1%
<b>Total Spending on Farxiga</b>			
<b>Total Spending</b>	\$2,584,850,000	\$1,213,446,000	\$1,371,404,000
<b>Average per Enrollee taking Farxiga</b>	\$4,046	\$4,340	\$3,817
<b>Enrollee Out of Pocket Spending on Farxiga</b>			
<b>Total OOP Spending</b>	\$166,026,000	\$5,156,000	\$160,870,000
<b>Average OOP per Enrollee taking Farxiga</b>	\$260	\$18	\$448

Notes: <sup>a</sup>For eligible Part D enrollees who meet income and asset requirements, the Low-Income Subsidy (LIS), also known as Extra Help, provides assistance with premiums, deductibles, and co-payments for covered Part D drugs.

*The Inflation Reduction Act was signed into law by President Biden in August 2022. Please see [here](#) for more information on how the law is reducing drug costs for Medicare beneficiaries.*

*Please see [here](#) for more information on Farxiga and the other drugs selected for the first cycle of Medicare drug price negotiation, cautions and limitations in interpretation and use of these estimates, and relevant citations.*