

# Why medical-pharmacy integration delivers real results

Integrating medical and pharmacy benefits may reduce costs for employers and employees – and improve speed to care.

U.S. prescription drug spending reached \$805.9B in 2024, a 10.2% jump from the previous year.<sup>1</sup> For specialty medications alone, per member, per year (PMPY) costs climbed from \$1,333 in 2023 to \$1,641 in 2024.<sup>2</sup> These numbers represent real pressure on employer budgets and employee wallets. Around 1 in 5 employees said they haven't filled a prescription due to cost.<sup>3</sup>

The culprit? A perfect storm of factors: Specialty medications drove around 55% of an employer's total drug spend in 2025, according to UnitedHealthcare data.<sup>4</sup> Breakthrough therapies carried premium prices, and the trend is set to continue: Specialty medications accounted for roughly 70% of drugs in the development pipeline as of mid-2025.<sup>5</sup>

When medical and pharmacy benefits operate in silos – managed by separate carriers or carved-out pharmacy benefit managers (PBMs) – the cost pressure may be exacerbated. Critical savings opportunities may slip through the cracks. Data doesn't flow. Care isn't coordinated. Members and employers may pay more than they should.

In other words, managing medical and pharmacy benefits under a single carrier is more than just administratively convenient; it's financially strategic.

Up to  
**\$516**  
average savings

PMPY when medical and pharmacy benefits were managed under a single carrier<sup>6</sup>

# The integration advantage: A smarter path forward

Integrated benefits enabled average savings of up to \$516 PMPY, according to an industry analysis,<sup>6</sup> by creating visibility across a member's complete health profile and supporting proactive clinical decisions.

## What integration is designed to deliver:

### 1 Lower costs through smarter benefit management

With integrated benefits, carriers and providers can determine whether medications should be covered under medical or pharmacy benefits based on effectiveness, cost and administration method. This “cross-benefit drug management” unlocks additional value by:

- Analyzing the efficacy, financial impact and administration experience of specific drugs across both benefits
- Determining optimal benefit placement for each medication
- Managing care to ensure members access lower-cost options when clinically appropriate

For instance, consider how this approach comes to life for **biosimilars** – medications highly similar to FDA-approved biologics – which have become a significant cost-savings driver.

Many biosimilars are available under both medical and pharmacy benefits. UnitedHealthcare uses a cross-benefit approach to help ensure each biosimilar represents the lowest-cost, most clinically appropriate option while thoughtfully evaluating optimal benefit placement. The result: UnitedHealthcare biosimilar management strategies generated an average \$1.76 per member, per month (PMPM) savings for employers.<sup>7</sup>

### 2 Better health outcomes through more coordinated care

When prescription drug data spans both pharmacy and medical benefits – and these benefits are managed separately – providers may see an incomplete picture. Integration changes that equation entirely.

Providers and care teams gain access to a member's whole-person health profile, enabling faster identification of high-risk patients, more informed treatment decisions and better coordination across specialties. This matters most for specialty medications treating conditions like cancer, inflammatory disorders and multiple sclerosis – the 3 categories that drove the highest costs across both benefits in 2025.<sup>8</sup>



**“Cross-benefit drug management is where the value of integrated benefits is being fully realized. Without it, employers may be leaving significant savings on the table.”**

**Susan Maddux**

Chief Pharmacy Officer  
UnitedHealthcare Employer & Individual

### 3

## More seamless member experiences and simpler benefits administration

Streamlined benefits administration promises significant operational advantages for employers – consolidating multiple vendor contracts into unified platforms while minimizing the administrative burden of managing disparate systems. Beyond operational efficiency, this approach protects employers against escalating costs by eliminating the waste due to unnecessary treatments, duplicative testing and delayed care that drive expenses without necessarily improving member health outcomes.

Members experienced the advantages of integration through faster access to needed care and reduced administrative friction. For instance, referrals to clinical programs occurred up to 44 days sooner with integrated benefits, helping members receive timely interventions before conditions worsened.<sup>9</sup> Nearly 43% of prior authorization requests were bypassed when UnitedHealthcare medical and pharmacy benefits were integrated,<sup>10</sup> eliminating delays and reducing obstacles that frustrate both members and providers.

**“The power of UnitedHealthcare is the data-driven, embedded decision-making that can occur when pharmacy and medical benefits are integrated.”**

**Susan Maddux**

Chief Pharmacy Officer  
UnitedHealthcare Employer & Individual

## Case study

### UnitedHealthcare cross-benefit drug management in action

Consider Neulasta®, used to treat low white blood cell count, a common side effect of cancer treatment.



**Step 1** – The UnitedHealthcare Pharmacy and Therapeutics (P&T) Committee determined that Neulasta was an effective treatment. The Prescription Drug List (PDL) Management Committee analyzed the cost and advantages of Neulasta under both the pharmacy and medical benefits.



**Step 2** – Upon review, the PDL committee found that the costs of Neulasta Onpro® and Udenyca® biosimilars were lower when administered at a provider’s office under the medical benefit, saving ~\$2K per claim on average compared to pharmacy benefit coverage, according to UnitedHealthcare 2024 claims data.<sup>11</sup>



**Step 3** – The PDL committee considers many factors to minimize the impact on the member’s experience, regardless of cost. Market feedback shows that members appreciate having their providers insert the on-body devices during scheduled chemotherapy appointments. This eliminates extra visits and removes the burden of self-administering medications at home—something many patients find intimidating.

## Support for the future

The pharmaceutical landscape continues to evolve rapidly. Specialty drug spending is projected to comprise more of total pharmacy spending, with overall pharmacy costs expected to rise 11–12% annually.<sup>12</sup>

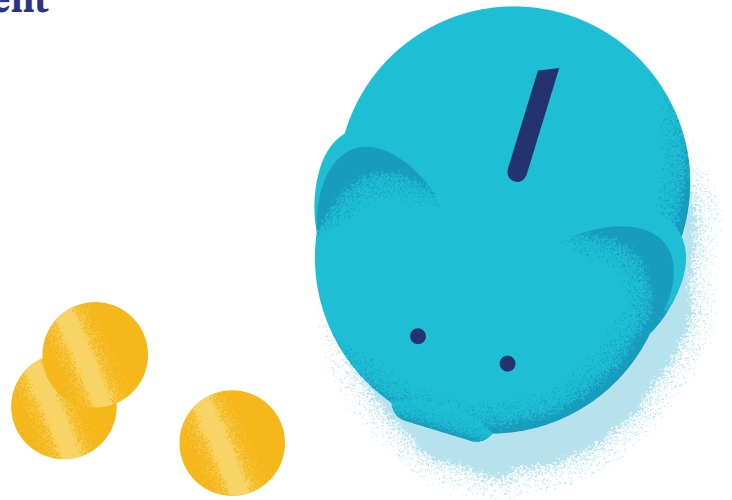
Within this environment of sustained cost pressure, integration offers a proven strategy for managing complexity while maximizing value.

**“I believe our cross-benefit drug management approach sets us apart from others in the market. We have the data, expertise and benefits to do this under one roof.”**

**Susan Maddux**

Chief Pharmacy Officer

UnitedHealthcare Employer & Individual



**Learn how UnitedHealthcare supports a whole-person health approach >**

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<sup>1</sup> U.S. Drug Spending Up 10.2% in 2024, with Weight Loss Drugs Remaining Top Driver. ASHP, Apr. 24, 2025. Available: <https://news.ashp.org/news/ashp-news/2025/04/24/us-drug-spending-up-10-in-2024-with-weight-loss-drugs-remaining-top-driver>.

<sup>2</sup> Annual Spending on Specialty Drugs Continues to Increase but at a Slower Pace Than Prior Years, Driven in Part by Biosimilar Adoption. Aug. 5, 2025. Available: <https://www.psgconsults.com/press-release/annual-spending-on-specialty-drugs-continues-to-increase-but-at-a-slower-pace-than-prior-years-driven-in-part-by-biosimilar-adoption/>.

<sup>3</sup> Americans' Challenges with Health Care Costs. Kaiser Family Foundation, Jan. 29, 2026. Available: <https://www.kff.org/health-costs/americans-challenges-with-health-care-costs/>.

<sup>4</sup> UnitedHealthcare 2025 Fully Insured and ASO data.

<sup>5</sup> UnitedHealthcare internal analysis based on Cortellis database, April 2025.

<sup>6</sup> Effect of Carving in Pharmacy Benefits on Utilization and Costs. Journal of Managed Care & Specialty Pharmacy, Sept. 30, 2020. Available: <https://www.jmcp.org/doi/full/10.18553/jmcp.2020.26.10.1317>. Accessed: Apr. 30, 2026.

<sup>7</sup> UnitedHealthcare internal analysis of commercial ASO and FI data, Sept 2025.

<sup>8</sup> Pharmacy Trends - 2025 and Beyond. Mercer, Jan. 2025. Available: <https://www.mercer-government.mercer.com/our-insights/2025-Drug-Trend-and-Pipeline.html>.

<sup>9</sup> UnitedHealthcare internal data, 2023. Accessed: Feb. 18, 2026.

<sup>10</sup> UnitedHealthcare analytics, 2025.

<sup>11</sup> UnitedHealthcare 2024 internal data.

<sup>12</sup> UnitedHealthcare Whole-Person Health Research conducted between Feb. 20, 2024 and April 25, 2024. Based on 12 in-depth interviews with brokers and consultants and 2 mini focus groups with a total of 12 employers in addition to a survey of 200 brokers and consultants and 300 employers, facilitated by TRC Insights, a market research consulting company.

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