



EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES  
**COMMONWEALTH OF MASSACHUSETTS**  
OFFICE OF MEDICAID  
ONE ASHBURTON PLACE, BOSTON, MA 02108



**MAURA T. HEALEY**  
GOVERNOR

**KATHLEEN E. WALSH**  
SECRETARY

**KIMBERLEY DRISCOLL**  
LIEUTENANT GOVERNOR

**MIKE LEVINE**  
ASSISTANT SECRETARY  
FOR MASSHEALTH

May 6, 2025

Chair, Michael Rodrigues  
Senate Committee on Ways and Means  
State House, Room 212  
Boston, MA 02133

Chair, Aaron Michlewitz  
House Committee on Ways and Means  
State House, Room 243  
Boston, MA 02133

Senate Chair, Cindy Friedman  
Joint Committee on Health Care Financing  
State House, Room 313  
Boston, MA 02133

House Chair, John Lawn Jr.  
Joint Committee on Health Care Financing  
State House, Room 236  
Boston, MA 02133

Dear Chairs Rodrigues, Michlewitz, Friedman, and Lawn,

In July 2019, MassHealth received the authority to directly negotiate with drug manufacturers for supplemental rebate agreements through Section 46 of Chapter 41 of the Acts of 2019 (the Fiscal Year 2020 budget), codified in Chapter 118E, Section 12A of the Massachusetts General Laws. This authority has dramatically increased the pace at which MassHealth can enter into these agreements. As of July 1, 2024, MassHealth has active agreements on supplemental rebate contracts with 27 manufacturers for 72 drugs with a total annual incremental savings of approximately \$450M. The 27 manufacturers are listed in the table below.<sup>1</sup>

Contracts with seven manufacturers (covering 10 drugs) qualify as value-based payment (VBP) agreements. These agreements tie rebate amount to outcomes data, including efficacy data and utilization data, or use alternative payment methodologies. For instance, under certain VBP agreements, if a drug is ineffective or if extended therapy is required, MassHealth may receive a portion or all of its payment back. This remains an exciting development, as it allows drug manufacturers to stand behind their products and be financially responsible for clinical outcomes.

---

<sup>1</sup> As a reminder, there were agreements with 21 manufacturers for 64 drugs in FY23 (reported on October 2023) with a total annual incremental savings of approximately \$402M. Compared to the last report, there has been an increase in the number of contracts, as well as additional savings for existing contracts based on increased utilization.

The table below details agreements finalized through direct negotiations to date.

<b>Manufacturer</b>	<b>Drugs with Directly Negotiated Supplemental Rebate Agreements</b> Drug Name (Initial Year of Directly Negotiated Contract)
AbbVie	Humira (2019), Mavyret (2019), Norvir (2019), Qulipta (2024), Ubrelvy (2022), Vraylar (2022)
Alkermes	Aristada (2019), Vivitrol (2024)
Alnylam	Amvuttra (2023), Givlaari (2020), Onpatro (2020), Oxlummo (2023)
Amgen	Enbrel (2019)
Amphastar	Baqsimi (2024)
Ascendis	Skytrofa (2024)
Asegua	Ledipasvir-Sofosbuvir (2019), Sofosbuvir-Velpatasvir (2019)
AstraZeneca	Symbicort (2024)
Bayer	Jivi (2022), Kogenate (2022), Kovaltry (2022)
Biogen	Zuruvae (2024)
Bluebird bio	Zynteglo (2023)
Eli Lilly	Emgality (2020), Taltz (2020) and Trulicity (2020)
Genentech	Hemlibra (2024)
Gilead	Biktarvy (2019), Descovy (2019), Epclusa (2019), Genvoya (2019), Harvoni, Odefsey (2019), Vemlidy (2023)
Hikma	Kloxxado (2022)
Indivior	Perseris ER (2023), Sublocade (2021), Suboxone Film (2019)
Janssen	Invega Hafyera (2022), Invega Sustenna (2021), Invega Trinza (2020), Prezcobix (2020), Stelara (2021), Symtuza (2020)
Merck	Delstrigo (2020), Pifeltro (2020)
Novartis	Zolgensma (2019)
Novo Nordisk	Saxenda (2024), Wegovy (2024)
Pfizer	Benefix (2020), Eucrisa (2020), Genotropin (2020), Ibrance (2020), Nurtec ODT (2024), Xyntha (2020)
Recordati Rare Disease	Carbaglu (2022)
Sanofi	Dupixent (2022), Lantus (2024)
Takeda	Adderall XR (2024)
Teva	Ajovy (2020), Uzedy ER (2023)
Vertex	Casgevy (2024), Kalydeco (2021), Orkambi (2021), Symdeko (2021) Trikafta (2021)
ViiV	Apretude (2023), Cabenuva (2021), Dovato (2019), Juluca (2019), Rukobia (2019), Triumeq (2019)

Please contact Sarah Nordberg at [Sarah.Nordberg@mass.gov](mailto:Sarah.Nordberg@mass.gov) if you have any questions.

Sincerely,



Mike Levine

cc: Kathleen E. Walsh