

# CAPITOL STREET

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April 21, 2026

## GLP-1: CMS Selects BALANCE Medicare Pilot Evaluator

BRIDGE Likely Extends Through 2027 If BALANCE Threshold Is Not Met

Relevant Companies



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### »» Our Take & Next Up

**While we await CMS's intentions on BALANCE (deadline of 4/30), CMS is preparing to move forward with the GLP-1 model as the agency has selected a formal CMMI model evaluator.** The American Institutes for Research has announced it was awarded the CMS BALANCE Evaluation contract [here](#). We note that all CMS Innovation Center models are independently evaluated and the contract is a constructive sign that CMS feels it has or will receive plan participation commitments (>80% of all Medicare beneficiaries in Part D plans). We note that separately, BRIDGE coverage is scheduled to start on July 1 regardless of Medicare plan participation as CMMI will manage prior auth and claims *outside* of the Part D benefit.

**United notes skepticism over the GLP-1 pilot; the deadline to participate for Part D plans was April 20.** CMS is expected to notify plans of their intentions to move forward by April 30 and expected to grant conditional approval to plan participants by May 18, 2026. These deadlines may be extended if negotiations with plan sponsors stretch longer.

### »» Key Points

**We have previously highlighted that BALANCE GLP-1 model participation is a risk [here](#) as Part D plans don't have a lot of data to work with for '27 bid submission.** Despite the consistent, low price point and a narrower risk corridor, plans are reporting that they don't have enough info on utilization and potential costs to develop a bid that includes GLP-1 coverage for obesity. See our past analysis [here](#). See UNH datapoint below.

**Discussions are ongoing: CMS wants to have sufficient BALANCE participation (>80%) for January 2027 start.**

- **NEW:** The American Institutes for Research [announced](#) it has been formally awarded the evaluation contract for the BALANCE model to assess its effectiveness in reducing expenditures and improving health outcomes. As a reminder, CMMI must evaluate its models as part of its statutory authority and independent contractors are hired to develop and conduct the evaluation.

- **NEW:** United Health ([here](#)) notes ongoing BALANCE discussions with CMS and confirmed that BRIDGE will start as planned. The MCO reported 1Q26 quarter this morning and notes “we’ve been in active dialogue with both CMS and CMMI on this (GLP-1) front. We’d like to find a path toward coverage over time, but there are notable challenges and outstanding questions with the currently planned structure. We’re still working through that process internally and look forward to continuing the dialogue with CMS — we’ve provided specific recommendations that we believe would serve all stakeholders well. As you know, we’ll be participating in the BRIDGE demo starting in July, and we expect to learn a great deal about the best way to advance this priority through that experience.”

**BRIDGE will go forward no matter what, starting July 1.** We have noted that BRIDGE may be the 2027 solution if the 80% threshold is not met. How CMS funds GLP-1s via this mode (outside of the Part D benefit) is unbeknownst to us, but this model may be the longer term bridge if insurers do not get the specifics they are looking for. It’s analogous to the Part D premium stabilization model in the Biden years (2023) to prevent premium spikes. New dollars were not identified to offset the direct subsidies to Part D plans.

## BACKGROUND

**Per LLY and NVO MFN agreements, Medicare coverage sets GLP-1 prices at \$245 across indications and sets Medicare copay at \$50.** BALANCE is a result of the voluntary MFN agreements for NVO and LLY made on November 6 (our take [here](#)). The agreements include availability of insulin and GLP-1 products through TrumpRx, US domestic manufacturing commitments, and MFN pricing on new launches. FDA has now approved oral products Foundayo (LLY) and Wegovy pill (NVO) and these will be priced at \$150 for consumers through TrumpRx.

**BRIDGE offers Medicare coverage for obesity products starting July 1, 2026 (ends Dec 2026).** Part D sponsors do not have to opt in to the Medicare GLP-1 Bridge for beneficiaries to access GLP-1s for obesity in July. Coverage will be implemented via a central processor managed by CMS. Providers are directed to submit GLP-1 prescriptions and prior authorization requests to the central processor. See our analysis of BRIDGE [here](#).

**BALANCE is the voluntary model which provides Medicare and Medicaid coverage of obesity products.** CMS is waiving the ban on Medicare coverage of weight loss drugs via this voluntary CMMI model. Under BALANCE, Medicaid agencies and Part D sponsors will have access to CMS negotiated coverage and pricing terms for GLP-1 products. IRA Medicare negotiated GLP-1s (Wegovy, Ozempic, Rybelsus) will be exempt from maximum fair prices for plans participating in the model. See our analysis [here](#).

- BALANCE for State Medicaid agencies begins **May 1, 2026**.
- BALANCE for Part D plans is scheduled to start **January 1, 2027**.

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