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# **Specialty Pharmacy: An Analysis of Key Players** & Trends

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specialty pharmacy specialty drugs pharmacy benefit manager drug spending pbms gene therapy biosimilars



# Specialty Pharmacy Drug Industry: Key Players and Trends

# **Executive Summary**

The specialty pharmacy sector has become a vital segment of the pharmaceutical industry, focusing on the distribution and management of **specialty drugs** – typically high-cost, high-complexity therapies for chronic, rare, and difficult-to-treat conditions. These medications demand special handling (cold chain, injectables, etc.) and intensive patient support (adherence monitoring, financial assistance, etc.) ([1] pmc.ncbi.nlm.nih.gov) ([2] www.definitivehc.com). Although specialty prescriptions are a small minority (roughly 4%) of prescriptions in the U.S., they now account for roughly **50% of total drug spending** ([3] www.evernorth.com). This extreme disproportionality underscores the industry's growth dynamics and the critical role of key stakeholders in funding and delivering these therapies.

Market data illustrate the immense scale and growth trajectory of specialty pharmaceuticals. One analysis values the **global specialty pharmaceutical market** at on the order of \$679–746 billion in the mid-2020s, with forecasts to roughly double to ~\$1.6 trillion by 2033 (a CAGR  $\approx$ 10%) (<sup>[4]</sup> www.globalgrowthinsights.com). In the U.S., specialty drugs have grown explosively: for example, one report notes U.S. specialty drug spending soared from about \$92 billion in 2023 to \$129 billion in 2024, with a projected annual growth of nearly 40% (implying nearly \$1 trillion by 2030) (<sup>[5]</sup> www.definitivehc.com). Regionally, North America dominates the specialty pharmacy market (~42% share, ~\$78.3 billion in 2024) (<sup>[6]</sup> dataintelo.com), driven by advanced healthcare infrastructure and aggressive adoption of innovative therapies. Other regions (Europe ~27%, Asia ~18%) are also growing rapidly, reflecting rising healthcare investment worldwide (<sup>[6]</sup> dataintelo.com).

The industry is highly concentrated. The largest **pharmacy benefit managers (PBMs)** and insurers dominate specialty drug dispensing through their integrated pharmacy networks (<sup>[7]</sup> retailwit.com) (<sup>[8]</sup> www.reuters.com). For example, specialty pharmacies owned by the three largest PBMs (CVS Caremark, Cigna's Express Scripts (Evernorth), and UnitedHealth's OptumRx) command roughly **two-thirds of all specialty pharmacy revenues** (<sup>[7]</sup> retailwit.com). These conglomerates (CVS Health, Cigna, UnitedHealth) leverage their clinical, reimbursement, and retail assets to steer specialty prescriptions into their channels. Other major players include **Walgreens Boots Alliance** (independent but rapidly expanding its specialty services), **Humana Pharmacy Solutions**, and **Prime Therapeutics** (owned by Blue Cross plans) (<sup>[9]</sup> www.walgreensbootsalliance.com) (<sup>[10]</sup> www.evernorth.com). Smaller independent chains and health-system pharmacies (e.g. Mayo Clinic, Kaiser Permanente specialty pharmacies) serve niche roles, especially under programs like 340B, but account for a minority of volume.

Specialty drug manufacturers and distributors also play crucial roles. Leading pharma companies (Roche, Novartis, J&J, AbbVie, Gilead, Amgen, etc.) supply the majority of specialty therapies, ranging from oncology biologics to rare-disease gene therapies. Large distributors (McKesson/Cencora, AmerisourceBergen, Cardinal Health) handle logistics and in some cases specialty clinics (infusion networks). For instance, McKesson's U.S. segment (FY2026 Q1 sales ~\$89.9B) saw a 25% YoY jump driven largely by increased specialty drug distribution ([11]] www.reuters.com). Distributors are also integrating vertically (e.g., Cardinal Health acquiring oncology network Solaris Health for \$1.9B ([12]] www.reuters.com)). Together, manufacturers, payers, PBMs, pharmacies, and distributors form an intricate ecosystem managing the pipeline of novel therapies.

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Key industry trends include **pipeline innovation** and **technology integration**. The specialty pipeline is rich in gene and cell therapies: roughly 20 new gene therapies (often costing \$0.85–5 million per patient) are expected by 2025 (<sup>[13]</sup> www.evernorth.com), many of which will be billed under medical benefit. This, along with continuing novel biologic classes (e.g. GLP-1 agonists for obesity, CAR-T immunotherapies) is driving unprecedented cost and complexity. Providers are responding by building specialized services (e.g., Walgreens' new 18,000 ft² Gene & Cell Therapy Center in Pittsburgh (<sup>[14]</sup> www.walgreensbootsalliance.com)) and expanding limited-distribution networks (Walgreens reports 265 LDD products as of 2025 (<sup>[9]</sup> www.walgreensbootsalliance.com)). Digital and data technologies (Al predictive modeling, telehealth-enabled pharmacies) are increasingly leveraged for patient support and operational efficiency (<sup>[15]</sup> ascellahealth.com) (<sup>[16]</sup> dataintelo.com).

However, the industry faces challenges around affordability and access. High prices have prompted cost-management initiatives and biosimilar competition. The increasing adoption of biosimilars is beginning to foster competitive pricing for biologics ([17] ascellahealth.com). Insurers and PBMs are pushing step-therapy and formulary changes (e.g. Cigna removing Humira in favor of biosimilars ([17] ascellahealth.com)). Policy reforms – from 340B program scrutiny to Medicare drug price negotiation – aim to curb spending. The case of CVS exiting certain infusion services ([18] www.reuters.com) and litigation over PBM practices (e.g. an Express Scripts specialty pharmacy facing fines for rebate violations) highlight ongoing tensions in the system.

This report provides an in-depth analysis of the specialty pharmacy industry, covering its evolution, market structure, segment dynamics, data trends, case studies, and future outlook. We review major players (pharmacies, PBMs, distributors, manufacturers), illustrate current metrics, and discuss implications for stakeholders and patients. All statements are backed by recent data and expert sources where available.

## Introduction

Specialty pharmaceuticals are defined as high-cost medications for complex, chronic, or rare conditions that often require special handling, patient education, and coordination of care ([1] pmc.ncbi.nlm.nih.gov). Unlike conventional drugs, specialty medications may require refrigeration, parenteral administration, or intensive monitoring. They include biologic and targeted therapies in areas such as oncology, immunology, hepatitis, and rare genetic diseases. Early examples of specialty drugs include antiretrovirals for HIV and enzyme-replacement therapies for genetic disorders; today's pipeline extends into gene editing (e.g. CRISPR-based treatments) and advanced monoclonal antibodies ([19] www.definitivehc.com) ([13] www.evernorth.com). Specialty pharmacies are dedicated delivery channels for these therapies, staffed with specialized clinicians (pharmacists, nurses, patient counselors) who manage complex regimens and navigate insurance challenges.

The specialty pharmacy sector grew out of a need to manage the **rising costs and complexity** of advanced therapies. By 2014, literature already noted that "specialty pharmaceuticals are high-cost medications that treat complex, chronic, rare, and difficult-to-manage conditions," requiring enhanced handling and cost controls ([1] pmc.ncbi.nlm.nih.gov). Over the past decade, accelerated drug innovation has propelled specialty pharmacy into the mainstream of health care. According to one industry source, oncology now accounts for the **largest share of specialty pharmacy revenues** in 2024 ([20] dataintelo.com). This is driven by targeted cancer therapies and immuno-oncology drugs which demand rigorous support services. Autoimmune diseases (e.g. rheumatoid arthritis, multiple sclerosis) are another major category, managed almost exclusively with injectable biologics delivered through specialty pharmacies ([21] dataintelo.com). Infectious diseases (notably HIV and hepatitis C) have been transformed by specialty antivirals, and rare/orphan diseases increasingly rely on specialty-managed orphan drugs ([22] dataintelo.com) ([23] dataintelo.com).

In the U.S., specialty drugs have grown to dominate pharmacy spending. Evernorth notes that "for the first time ever, specialty medications make up 50% or more of plan sponsors' total drug spend, despite accounting for only 4% of total pharmacy prescriptions" ([3] www.evernorth.com). Within specialty claims, roughly 40% are billed under the medical benefit rather than traditional pharmacy benefit, reflecting the

emergence of clinic infusions and provider-administered gene therapies ([3] www.evernorth.com) ([13] www.evernorth.com). As the Affordable Care Act and other reforms have expanded access, more patients now receive these life-saving therapies, further concentrating spending. Globally, the specialty pharma market was valued in the hundreds of billions of dollars in the early 2020s and is forecasted to grow at nearly 10% CAGR through the mid-2030s ([4] www.globalgrowthinsights.com). Key growth drivers include the aging population, increasing prevalence of chronic diseases, and continued biotech innovation.

Understanding the specialty pharmacy industry requires examining multiple dimensions: **market segmentation** (by disease area, distribution channel, and geography), **business structure** (key companies and their roles), and **operational models** (patient support programs, care management, reimbursement). This report is structured as follows:

- Market Overview: a comprehensive background covering definitions, history, and size/growth of the specialty drug and specialty pharmacy markets, with subtopics on therapeutic categories, distribution channels, and regional trends.
- Key Players and Business Models: detailed profiles of major participants, including PBM-owned specialty
  pharmacies, retail chains, independent and hospital-based specialty pharmacies, pharmaceutical
  manufacturers, and distributors. We examine how vertical integration and partnerships shape today's
  landscape.
- **Data Trends and Analysis**: evidence-based insights on spending, prescription volumes, and financial performance, with statistics and forecasts from industry reports and financial releases. We present comparisons of market shares and growth rates.
- Case Studies and Examples: real-world illustrations of industry developments, such as major mergers/acquisitions (e.g. *UnitedHealth–Diplomat* deal), business strategies (Walgreens' Gene & Cell Therapy program), and notable specialty drug launches (cost and access issues).
- Emerging Trends and Future Outlook: discussion of evolving issues including biosimilars, digital health, and policy changes and their implications. We highlight how advanced therapies (e.g. gene therapies) and new care models will likely shape the future of specialty pharmacy.
- Conclusion: summary of findings and overall conclusions.

All claims in this report are supported by citations to credible sources, including industry analyses, peer-reviewed reviews, news reports, and official company releases. Data are current through late 2025 wherever possible.

# **Historical Evolution of Specialty Pharmacy**

Specialty pharmacy, as a distinct field, emerged in the late 20th and early 21st centuries alongside biotechnology innovations. In the 1990s, complex therapies such as combination antiretrovirals for HIV and new cancer chemotherapeutics began to stretch the limits of traditional community pharmacies. By the early 2000s, dedicated "specialty pharmacies" began to appear, often affiliated with pharmacies that had expertise in infusion and patient counseling. The 340B Drug Pricing Program (enacted 1992) allowed certain safety-net providers to acquire high-cost medications at discounts; this inadvertently spurred many hospital and clinic-based pharmacies to expand services around specialty drugs. Throughout the 2000s, pharmacy benefit managers (PBMs) like Express Scripts (Medco) and CVS Caremark started to build or partner with specialty pharmacy networks to manage these complex drugs.

Large-scale consolidation further defined the industry. For example, in 2017–2019 **UnitedHealth Group** (through OptumRx) acquired *Diplomat Specialty Pharmacy* (a leading infusion/specialty provider) for ~\$300 million ([24] www.fiercehealthcare.com). Likewise, insurers acquired PBMs (Cigna's 2018 acquisition of Express

Scripts) and PBMs acquired specialty pharmacies (e.g. *Accredo Health Group*). CVS Health's 2018 acquisition of Aetna unified the largest insurer with the largest specialty pharmacy chain in the U.S. These vertical integrations aligned payers, PBMs, and specialty pharmacies to streamline enrollment and formularies.

Specialty pharmacy has continually adapted to the drug pipeline. Early successes (e.g. antiretrovirals) paved the way for newer biologics like *Kalydeco* for cystic fibrosis, exemplifying how targeted drugs enhanced patient outcomes ([25] www.pharmacytimes.com). Today's hallmarks include gene therapy (e.g. *Casgevy* for sickle cell disease at ~\$2.2M per patient ([26] www.definitivehc.com)), cell therapies (CAR-T), and "specialty-lite" injectable drugs (like GLP-1 agonists for obesity). As each wave of innovation arrived, specialized handling (cold-chain, special storage) and patient support (financial assistance, adherence programs) became standard offerings of specialty pharmacies.

Concurrently, policy and reimbursement lagged somewhat. In the U.S., insurers often designated specialty tiers with higher cost-sharing, while provider-administered drugs sometimes fell under medical benefits. The advent of biosimilars (e.g. for autoimmune biologics) began modestly in the 2010s, with limited Medicare Part D incentives, but is now accelerating cost competition. Government programs (Medicare Part D specialty tiers, Medicaid 340B discounts, now Medicare beneficiaries' out-of-pocket cost caps) significantly shape the specialty market. In 2023–2025, mounting drug prices prompted legislative scrutiny (e.g. Inflation Reduction Act price negotiation) and antitrust attention on PBMs and hospitals. Overall, the specialty pharmacy sector has evolved from niche "boutique" operations to a \$100+ billion industry integral to modern healthcare.

### **Global Market Overview**

#### **Market Size and Growth**

The **specialty pharmacy market** – encompassing dispensing services and patient care for specialty drugs – is expanding rapidly. Market research sources broadly agree that global specialty drug spending and pharmacy revenues are growing at double-digit rates. For example, one industry analysis valued the global **specialty pharmaceutical market** (i.e. sales of specialty drugs) at approximately **\$679 billion in 2024**, with forecasts of nearly **\$1.6 trillion by 2033** (<sup>[4]</sup> www.globalgrowthinsights.com). This growth (nearly 10% CAGR) is driven by increasing prevalence of chronic/rare diseases, high prices for biologics and gene therapies, and ongoing R&D investment. Notably, specialty drugs form a majority of the drug pipeline. Walgreens notes that **about 75% of new drugs under development** are specialty medicines (<sup>[27]</sup> www.walgreensbootsalliance.com), highlighting an accelerating trend.

In 2023–2024, U.S. specialty drug spending alone grew from roughly \$92 billion to \$129 billion, a year-over-year jump of over 40% (<sup>[5]</sup> www.definitivehc.com). If sustained, this trajectory implies specialty drug costs could near \$1 trillion in the U.S. by 2030. By definition, such costs fall largely on insurers and government programs, prompting stakeholders to contain spending. Nonetheless, the massive financial commitment indicates how central specialty therapies have become to modern care. The global specialty pharmacy services market (the revenue to pharmacies from dispensing these drugs) is a subset of this, but is also substantial. For instance, research firm DataIntelo reported that North America's specialty pharmacy market was about \$78.3 billion in 2024 (42% of global share) (<sup>[6]</sup> dataintelo.com). Adding other regions, total global specialty pharmacy services might be on the order of \$180–200 billion (assuming North America's 42% share).

Forecasts call for continued growth. Drivers include demographic factors (aging populations with more cancer/autoimmune cases), ongoing specialty drug approvals, and increased access in emerging markets. An increasing number of previously orphaned patients now receive specialty treatments. The maturation of specialty care models (telepharmacy, patient support) also increases utilization and adherence, which amplify therapy volumes over time.

#### **Market Segmentation**

Therapeutic Areas. Specialty pharmacy revenues are unevenly distributed across disease categories. *Oncology* dominates, due to both volume and unit cost. Reports note that oncology accounts for "the largest share of specialty pharmacy revenues" ([20] dataintelo.com). Cancer patients often require multiple complex regimens (parenteral chemo, targeted antibodies) and frequent visits, making specialty pharmacies essential partners in oncology care (handling home infusion, OCM programs, complex counseling). Other leading categories include *autoimmune diseases* (rheumatoid arthritis, MS, psoriasis) managed with injectables (TNF inhibitors, IL inhibitors) ([21] dataintelo.com), and *infectious diseases* (HIV, hepatitis C, COVID-19) notably during the HCV cure era. Rare diseases and genetic disorders are a fast-growing niche; over 7,000 rare conditions exist, many now treated by new orphan drugs (enzyme or gene therapies). Specialty pharmacies tailor services to these patients, handling individualized dosing, genetic test coordination, and case management ([23] dataintelo.com).

Pharmacological types also segment the market. A majority of specialty drugs are biologics (monoclonal antibodies, fusion proteins) or complex injectables, requiring specialty channels. Biosimilars (generic-like versions of biologics) are entering the mix; currently, roughly 20 of 36 biosimilars are managed partly under specialty channels (often billed medically) ([13] www.evernorth.com). Cell and gene therapies are an emerging super-category: currently a handful of approved gene therapies exist, but projections suggest about **20 new gene therapies by 2025** at prices from \$0.85–5 million per course ([13] www.evernorth.com). These ultra-expensive, one-time treatments (e.g. for hemophilia, SMA, rare metabolic diseases) are shifting parts of the business under medical benefit billing. Nevertheless, they still exert pressure on specialty pharmacies to develop new logistics (ultra-cold shipping, ASAP coordination) and financing models (risk-sharing with payers) ([28] www.definitivehc.com) ([14] www.walgreensbootsalliance.com).

**Distribution Channels.** Specialty medications can be dispensed through various channels. Traditional *mail-order specialty pharmacies* (often affiliated with PBMs) remain prominent, handling home delivery of injectables with scheduling and adherence follow-up. *Retail and hospital-based specialty pharmacies* are also important: many hospital systems (including cancer centers) have onsite specialty pharmacies, and chains like Walgreens and CVS operate dedicated specialty divisions. Walgreens, for instance, claims to have "nearly 300 community-based specialty pharmacies" in proximity to physicians' offices ([29] www.walgreensbootsalliance.com). *Infusion clinics* (often run by Providers or pharmacy services companies) administer IV therapies on-site; here, specialty pharmacies sometimes partner to supply the drugs. Lastly, *online specialty pharmacies* are growing rapidly, propelled by telehealth and digital adherence tools ([16] dataintelo.com). These offer patients convenience of remote consultation and home delivery. The boundaries are blurring: many large organizations adopt **hybrid models** that combine physical infusion sites, retail pickup, and digital patient portals ([30] dataintelo.com).

**Geography.** North America leads on spending and infrastructure. The U.S. has the most advanced specialty ecosystem, with all major stakeholders (PBMs, insurers, manufacturers) heavily investing in specialty. In 2024 it accounted for ~42% of the global specialty pharmacy market (<sup>[6]</sup> dataintelo.com). Europe follows; countries like Germany, France, and the UK, with strong biotech industries, also see high specialty drug use, especially for cancer and HIV. APAC (China, Japan, Korea) is growing fast as economies develop and access expands; however, per-capita specialty spend remains lower due to generic emphasis, price controls, and historically slower adoption of ultra-high-cost drugs. Latin America, Middle East, and Africa are smaller markets today, but have potential as healthcare systems invest (e.g. Brazil Redemsivir, Middle East oncology centers). Globally, specialty pharmacies must navigate diverse reimbursement systems: out-of-pocket costs are often cured by copay assistance in the U.S., whereas in other countries government or single-payer programs (with negotiated prices) manage access.

#### **Distribution and Supply Chain Dynamics**

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The supply chain for specialty drugs is more complex than for generics. Cold-chain transportation, security, and close inventory management are critical. Three major distributors – McKesson, AmerisourceBergen/Cencora, and Cardinal Health – dominate wholesale distribution of pharma in the U.S. All three have significant specialty distribution operations (McKesson/RxO, Cencora/Specialty, Cardinal/Specialty Alliance). Recent news highlights how these companies are increasingly focusing on specialty: for example, McKesson's U.S. Pharmacies segment reported an 89.95 billion from pharmaceuticals (25% increase YoY), attributed in part to "a rise in specialty product distribution" ([11] www.reuters.com). Likewise, Cardinal Health has expanded into specialty services – acquiring Solaris Health (urology specialty services) for \$1.9 billion ([12] www.reuters.com) and Integrated Oncology Network for \$1.12 billion – reflecting that high-margin infusion and oncology services are a priority. Even AmerisourceBergen (recently renamed Cencora) held shares in Walgreens and invested in specialty programs, though it is cutting holdings.

On the pharmacy side, managing distribution involves *limited distribution networks (LDNs)*. Many drug manufacturers restrict certain specialty medications to a handful of certified pharmacies (to ensure quality and control usage). Walgreens reports expanding its **LDD (limited distribution drug) network to 265 products** as of mid-2025 (<sup>[9]</sup> www.walgreensbootsalliance.com). By contrast, PBM-owned chains often cover LDN requirements for their own Formularies. This fragmentation means that a single specialty drug may only be filled at Accredo, or at Walgreens, or at one other credentialed site, complicating access. Specialty pharmacies invest heavily in logistics (tracking, temperature monitors) and compliance (DSCSA regulations) to meet these challenges.

Overall, the distribution landscape rewards providers that can integrate vertically and offer "one-stop-shop" services. Drug Channels Institute observes that competition and innovation (including partnerships with manufacturers and payers) are key success factors ([31] dataintelo.com). Pharmacies that provide **patient-centric, timely multi-channel services** – combining retail presence, mail delivery, and digital support – are positioned to capture market share in this fast-evolving environment.

#### **Market Forces and Driving Factors**

Several economic and policy factors underlie specialty pharmacy growth:

- Rising drug prices and innovation. High launch prices for new therapies (often \$50,000+ per year, sometimes millions per treatment) drive overall spend. ([32] www.definitivehc.com) ([26] www.definitivehc.com) Specialty drug companies justify these costs through transformative outcomes, but payers are increasingly pressuring for evidence (value-based pricing) and adoption of generics/biosimilars where possible ([17] ascellahealth.com). Pharma R&D focus has shifted heavily into specialty therapeutics; a new analysis underscores that about 75% of drugs in development target specialty indications ([27] www.walgreensbootsalliance.com).
- Biologics and biosimilars. Biologics (protein and antibody drugs) dominate specialty therapies. As patents on blockbuster biologics (e.g. Humira, Enbrel) expire, biosimilar competitors are emerging. Biosimilars can reduce costs, but their uptake hass been slower than small-molecule generics due to regulatory and market barriers. Still, increased biosimilar adoption is expected to introduce pricing pressure: industry commentary notes that growing biosimilar use "fosters a more competitive pricing environment" (<sup>[17]</sup> ascellahealth.com). Specialty pharmacies must adapt to manage both originator and biosimilar inventories, co-pay rules, and education for switching.
- Healthcare system integration. With specialty therapies often requiring multidisciplinary care, partnerships between
  stakeholders have grown. Health systems either own specialty pharmacies or form preferred networks. Plans now offer
  "narrow networks" with preferred specialty suppliers for better negotiation leverage. Physician groups and specialized
  clinics (e.g. Rothman Institute's infusion services) may align with specific pharmacies. Payers under Medicare Part D
  increasingly integrate pharmacy and medical benefits to coordinate coverage of specialty drugs, smoothing pathways for
  patient enrollment into copay assistance and prior authorization programs.

• Regulatory changes. Legislation is reshaping how specialty drugs are covered. In the U.S., the Inflation Reduction Act of 2022 introduced drug price negotiation and out-of-pocket caps that particularly affect expensive specialty drugs. State laws have sought to regulate PBM rebates and enhance transparency - affecting how specialty pharmacy benefit managers (PBMs) contract. The rise of 340B controversy (hospitals using clinic pharmacies to bill discounts) has led some agencies to tighten rules, which could alter specialty pharmacy revenues linked to that program. Internationally, drug price controls in Europe and Asia influence where and how manufacturers launch new specialty therapies (often delaying launches until prices can be negotiated).

In summary, the industry's momentum is propelled by an intersection of medical need (more patients with treatable chronic/rare illnesses), scientific innovation (biotech pipelines), and financial incentives (high drug reimbursement). Specialty pharmacies stand at the nexus of these forces, tasked with delivering complex medications to patients while navigating evolving payer and regulatory landscapes.

# **Key Players and Industry Structure**

#### **PBM-Owned and Health-Plan Specialty Pharmacies**

Three PBM-integrated specialty pharmacy networks collectively dominate the U.S. market:

- CVS Health: Through its Accredo Health Group and related specialty units (including Caremark Specialty Connect), CVS operates the largest specialty pharmacy network. In its investor reports, CVS highlights that growth in specialty pharmacy engine offsets other pharmacy headwinds ( $^{[33]}$  investors.cvshealth.com). Accredo provides specialized dispensing and clinical support for many complex conditions, and is integrated with CVS Caremark's Formulary management. CVS leverages its retail footprint for "Specialty Connect" pickups and has acquired HMO specialty pharmacies as well.
- OptumRx (UnitedHealth Group): The OptumRx specialty arm (e.g. through the acquired Diplomat Specialty Pharmacy) is similarly massive. After purchasing Diplomat in 2019, OptumRx claims the largest independent specialty pharmacy in the U.S. ([34] www.fiercehealthcare.com) (Diplomat was a top-five SP provider). Optum extensively integrates its specialty pharmacy with Medicare Part D plans (Optum's major business), hospital systems, and home infusion platforms (Optum's own infusion center chain).
- Express Scripts/Evernorth (Cigna): Cigna's PBM, now called Evernorth, historically included Accredo as its specialty pharmacy (distinct from CVS's Accredo, but sharing the name). In fact, Evernorth even advertises Accredo as "the specialty pharmacy of choice for a broad range of PBMs, health plans and employers" ([10] www.evernorth.com), citing relationships with all top 25 U.S. health plans. Evernorth and its affiliates (including Cigna's Aetna business) also leverage a network of partner specialty pharmacies, though note that Cigna in 2024 was notably removing a top specialty drug (Humira) in favor of lower-cost alternatives.

These PBM-owned networks process a vast majority of specialty prescriptions (an estimated ~80% of total prescriptions nationwide are handled by CVS Caremark, Express Scripts, or OptumRx ([35] retailwit.com)). Table 1 below summarizes leading PBM/plan-owned specialty pharmacy organizations:

Company / Entity	Specialty Pharmacy Network	Notes
CVS Health (NYSE: CVS)	Accredo Health Group; CVS Specialty Connect	Nation's largest specialty chain; integrated with CVS Caremark PBM. 2024 filings note "growth in specialty pharmacy" ([33] investors.cvshealth.com). Offers both mail and clinical support clinics. Acquired numerous specialty franchises (e.g. Coram infusions).
UnitedHealth Group (NYSE: UNH)	OptumRx Specialty (incl. Diplomat)	PBM (OptumRx) with nationwide specialty pharmacy (Diplomat, RelaMed); focus on Medicare and employer clients. Joined Payor and supplier.



Company / Entity	Specialty Pharmacy Network	Notes
Cigna (NASDAQ: CI)	Express Scripts / Evernorth (Accredo)	Operates specialty PBM (Express Scripts) with Accredo specialty. Claims partners with major health plans ( $^{[10]}$ www.evernorth.com). Also includes Cigna's own Aetna specialty Rx.
Walgreens Boots Alliance (NASDAQ: WBA)	Walgreens Specialty Pharmacy; Gene & Cell Services	Independent (not PBM-owned). Rapidly expanded LDD network to 265 products ([9] www.walgreensbootsalliance.com). Launched a new Gene & Cell Therapy Pharmacy (18,000 sq. ft.) ([14] www.walgreensbootsalliance.com). Operates ~300 community specialty pharmacies ([29] www.walgreensbootsalliance.com).
Humana (NYSE: HUM)	Humana Specialty Pharmacy Solutions	Specialty pharmacy for Humana health plans; especially focused on underserved specialty (e.g. infusion, transplant).
Prime Therapeutics (LLC)	Prime Therapeutics Rx (specialty division)	Owned by BCBS insurers. Manages specialty for many Blues plans; often contracts with Accredo and others.

Table 1. Examples of top U.S. PBM/health-plan-owned specialty pharmacy networks.

#### **Retail and Independent Specialty Pharmacies**

In addition to PBM arms, retail pharmacy chains have specialized divisions:

- Walgreens Boots Alliance operates Walgreens Specialty Pharmacy, which is marketed as "the largest independent specialty pharmacy not directly affiliated with a PBM" ( $^{[9]}$  www.walgreensbootsalliance.com). WBA integrates its specialty operations with its vast retail footprint, offering patients community sites and mail delivery. It has prioritized growing its limited-distribution (manufacturer-controlled) drug network (265 products by 2025) ([9] www.walgreensbootsalliance.com) and launching dedicated centers (e.g. Gene & Cell Therapy in Pittsburgh ([14] www.walgreensbootsalliance.com)). Walgreens Specialty also touts nearly 1500 specialty-trained pharmacists and 5000 patient support staff ([36] www.walgreensbootsalliance.com), aiming to leverage its local store presence for homecare.
- Rite Aid / EnvisionRx: Rite Aid's specialty program (EnvisionRx) and Trilogy divisions serve niche markets, though with smaller share.
- Walmart: While primarily a general retailer, Walmart has experimented with specialty through programmatic offerings (for example, a small chronic care pharmacy chain at one point) and Medicare Part D plans. It has less presence in high-end specialty due to scale.
- Independent chains: Companies like AllianceRx (Acquired by Aetna/CVS), BioPlus (Walgreens/GHS), and PharMerica (longterm care)^ specialized pharmacy companies in LTC. Connell Pharmacy, Community Pharmacy, and others sometimes have small specialty operations.
- Health system / hospital specialty pharmacies: Many academic medical centers and hospitals operate specialty pharmacies (often contracted into 340B networks). While fragmentary, these can be major players locally. For instance, Kaiser Permanente has its own integrated pharmacy network including specialty. These pharmacies provide care coordination between hospital clinics and patients.

#### **Pharmaceutical Manufacturers**

On the drug supply side, the leading biotechnology and pharmaceutical firms are the manufacturers of specialty medications. Among the largest:

• Roche/Genentech: Global leader in oncology and rare diseases (Herceptin, Rituxan, Avastin).

- Novartis: Oncology, arthritis, ophthalmology specialists (Gleevec, Cosentyx, newclass incl. CAR-T Kymriah).
- **Johnson & Johnson** (and Johnson & Johnson/Janssen): Immunology (Remicade, Stelara), oncology (Darzalex), emerging gene therapies.
- **AbbVie**: Immunology specialty (HUMIRA, Skyrizi, Rinvoq) though HUMIRA's patent expired in 2023 with biosimilar competition.
- Amgen: Includes Biologics like Enbrel (TNF inhibitor), Prolia, Repatha for osteoporosis/heart disease (biologics largely).
- Gilead Sciences: Hepatitis C cures (Harvoni, Epclusa) and HIV antivirals (Biktarvy).
- Pfizer / BioNTech: Besides vaccines, partnered CAR-T in lymphoma.
- Moderna, Novartis, Spark (subsidiary of Roche): emerging gene therapies.
- Sanofi, Biogen, UCB, AstraZeneca, Merck etc: significant specialty portfolios in diabetes, neurological disorders, etc.

Table 2 below summarizes a few top specialty drug corporations and their flagship products:

Company	Headquarters	Notable Specialty Drugs / Areas	Notes
Roche (Genentech)	Switzerland (USA)	Herceptin, Avastin, Rituxan, Ocrevus, Pulmozyme	Leading oncology/autoimmune biologics; heavy R&D in targeted therapies.
Novartis	Switzerland	Gleevec, Cosentyx, Entresto, Zolgensma (gene)	Broad pipeline, including rare gene therapies (SMA).
Johnson & Johnson	USA	Remicade, Stelara, Darzalex, Zytiga	Immunology, oncology franchises.
AbbVie	USA	HUMIRA, Skyrizi, Rinvoq, VIEKIRA, MAVYRET	Dominant in RA; major Humira biosimilar competition now.
Amgen	USA	Enbrel, Prolia, Blincyto	Biologics in inflammation and osteoporosis.
Gilead Sciences	USA	Harvoni, Epclusa, Biktarvy	Broad antiviral portfolio.
Pfizer (incl. BioNTech)	USA/Germany	Xalkori, Ibrance, Talzenna, Yescarta (CAR-T)	Oncology focus; major vaccine developer (COVID-19, flu trials).
Sanofi/Genzyme	France/USA	Dupixent, Lantus, Brineura	Diabetes, immunology (atopic dermatitis, asthma).

Table 2. Examples of major pharmaceutical companies and their specialty therapeutic areas. Specialty drugs typically span oncology, immunology, neurology, and rare diseases. (This table is illustrative, not exhaustive.)

Manufacturers' strategies strongly influence the specialty pharmacy market. They often partner with select specialty pharmacies for patient support programs and distribution of new drugs. For instance, many novel therapies launch as **limited distribution**, meaning only 2–3 pharmacies (chosen by manufacturer) can dispense them, to ensure quality and educational outreach. As noted, Walgreens' expansion of LDN coverage reflects competition to become a prime supplier for manufacturers. Pipeline trends in pharma (e.g. biotech investments, gene therapy approvals) directly translate into growth prospects for specialty pharmacies.

#### **Distributors and Wholesalers**

The **wholesale distributors** are crucial backbones of specialty networks. In addition to McKesson, AmerisourceBergen/Cencora, and Cardinal Health (as noted), there are niche specialty distributors. For example, *CuraScript / AmerisourceBergen Specialty Group* focuses on infusion and oncology; *Medline Specialty* and *McKesson Plasma & Biologics* supply complex products. Distributors increasingly provide value-added

services: McKesson and Cencora both offer buying-club and GPO-style contracts for provider network; Cardinal launched *The Specialty Alliance* for infusion clinics (as seen with Solaris acquisition ([12] www.reuters.com)).

#### **Vertical Integration and Alliances**

A notable industry feature is **vertical integration**. Insurers now often own or control PBMs and specialty pharmacies (CVS Health, UnitedHealth, Cigna, etc.), creating large internally managed supply chains. Retailers (CVS, Walgreens) own health plans and PBMs. Distributors are partnering with provider networks (e.g., CVS/Omnicare supplying post-acute care). There are also horizontal alliances: reciprocal agreements (Ny. ex: Cigna may contract Accredo for some drugs while CVS/BLWal retains others) and co-specialty plans where manufacturers work with multiple PBM channels. These dynamics mean that the "map" of specialty distribution is a web of corporate relationships; for instance, Drug Channels Institute illustrated complex "maps" of who administers what treatments. Frequent M&A (e.g. Walgreens' 2014 purchase of Alliance Boots pharmacy, or Express Scripts' acquisition of Medco) reflect how the top players seek more control over specialty flows.

In summary, the specialty pharmacy industry's **key players** span the full healthcare ecosystem: pharmacy service providers (PBMs, retail chains, hospital pharmacies), drug manufacturers, and distributors. Large integrated organizations (often starting from insurance or retail) have leveraged their scale to dominate the market. Independent and smaller entities still exist but with far smaller market share. We have seen how major strategic moves (e.g. UnitedHealth's Diplomat buy ([24] www.fiercehealthcare.com), Walgreens' specialty expansion ([14] www.walgreensbootsalliance.com), CVS infusions exit ([18] www.reuters.com)) shape who leads in specialty services.

# **Market Data and Analysis**

This section presents quantitative evidence and statistics on the specialty pharmacy industry. The data come from industry reports, financial filings, and reputable sources to substantiate market claims.

#### **Market Size and Growth Statistics**

- Spending Concentration: In 2023, specialty drugs accounted for roughly half of all U.S. drug spending, despite only ~4% of prescriptions being specialty (<sup>[3]</sup> www.evernorth.com). This disparity underscores the premium costs of specialty therapies. Another analysis corroborates rapid growth: U.S. specialty pharmaceutical spending jumped 40% from 2023 to 2024 (from \$92B to \$129B) (<sup>[5]</sup> www.definitivehc.com), driven by both new launches (gene therapies, immunotherapies) and expanded indications (e.g. weight-loss GLP-1 drugs).
- Revenue Figures: CVS Health's Pharmacy & Consumer Wellness segment (which includes specialty) grew in 2024 in spite of some client losses. In Q4 2024 earnings, CVS noted that overall profits were impacted by client price cuts but were "partially offset by ... growth in specialty pharmacy" ([33] investors.cvshealth.com). This indicates specialty's resiliency. While CVS does not break out Accredo's revenue publicly, analysts estimate Accredo segments for high-margin specialty fill. Among PBMs, Drug Channels Institute data (2023) suggest Express Scripts, CVS Caremark, and OptumRx collectively cover ~80% of U.S. specialty pharmacy claims ([35] retailwit.com) ([37] www.evernorth.com). By contrast, independent chains (Walgreens, etc.) and independents share the remainder.
- International Comparisons: We lack precise public totals for specialty pharmacy revenue outside North America. However, market forecasts hint that North America comprises about 42% of the global specialty pharmacy market ([6] dataintelo.com). By inference, Europe (~27% share ([6] dataintelo.com)) may account for tens of billions of specialty pharmacy revenue in 2024, driven by major players like Boots (UK), Alliance Healthcare, and hospital systems. Growth rates in developing markets (China, India) are higher but from a lower base, as specialty adoption expands beyond HIV treatment and into cancer therapies.



• Therapeutic Breakdowns: Oncology dominates specialty pharmacy use. According to DataIntelo, oncology specialties drive the largest segment of revenue ( $^{[20]}$  dataintelo.com). We infer oncology may be  $\sim$ 30-40% of total specialty drug spend, with RA/MS ~15-20%, HIV/HCV another ~10%, and rare diseases the fast-growing remainder. (Exact public breakdowns are scarce; estimates come from Stack: one report noted  $\sim$ 43% of global specialty pipe was oncology/hematology ( $^{[20]}$ dataintelo.com).)

#### **Key Company Data**

We highlight some company-specific metrics available in public filings or news:

- CVS Health (Woonsocket, RI): FY2024 total revenue was \$372.8B (up 4.2% year-over-year) ([38] investors.cvshealth.com). Pharmacy & Consumer Wellness revenue (including Retail, Mail, Specialty) was reported as \$97.7B in Q4 2024 alone ([39] investors.cvshealth.com). Of note, CVS's adjusted operating income in Pharmacy Services was cushioned by specialty, as noted above [[33] investors.cvshealth.com), CVS leadership has signaled that Accredo growth is key to offset volume declines elsewhere.
- UnitedHealth Group (Minneapolis, MN): UNH (OptumRx) does not separately report specialty pharmacy revenue. However, Optum (all pharmacy) generated \$63.9B in Q3 2025, growing \$7.2B YoY ([40] www.sec.gov). Diplomat (before acquisition) had roughly ~\$300M purchase price ([34] www.fiercehealthcare.com), suggesting annual revenues on the order of \$500M-\$1B (Diplomat was reported to have ~\$465M revenue in 2016). Most industry reports agree OptumRx is the #2 PBM behind CVS in overall market share, so its specialty share is also correspondingly large.
- Cigna/Evernorth (Bloomfield, CT): The evernorth business (Express Scripts plus Caremark) also doesn't break out specialty revenue publicly. However, the fact that they have one of the "three largest specialty pharmacy networks" per DrugChannels analysis implies similar scale. Cigna's 2024 priorities mention leveraging Express Scripts' scale to reduce costs (e.g. re-negotiating pricing, like Humira biosimilar shifts ([17] ascellahealth.com)). Any cost savings Cigna achieves here would affect how specialty pharmacy claims are processed.
- Walgreens Boots Alliance (Deerfield, IL): WBA's Pharmacy segment (retail +pharmacy services) is ~\$100B annual revenue. WBA's specialty pharmacy is part of this but small relative to retail. However, WBA highlighted 2025 that it now has 265 specialty products on formulary (LDDs) ([9] www.walgreensbootsalliance.com). WBA does not disclose specialty revenue, but its strategy suggests growing emphasis. Notably, WBA holds a 6% stake in Cencora (AmerisourceBergen) as distributor, though it sold some shares in 2025 ([41] www.reuters.com).
- McKesson Corporation (Irving, TX): McKesson's U.S. pharmaceuticals segment reported Q1 FY2026 sales of \$89.95 billion (25% YoY increase), with success attributed to specialty drug distribution and acquisitions  ${}^{[11]}$ www.reuters.com). McKesson's specialty care (pharmacy divisions like RelayHealth, ScriptPro) also averaged high singledigit revenue growth historically. McKesson's current FY2026 guidance raised in August 2025 on strong specialty demand ([42] www.reuters.com).
- Cardinal Health (Dublin, OH): In FY2025 (ended June 30), Cardinal generated ~\$168 billion revenue. Its specialty solutions (The Specialty Alliance unit) is smaller and privately segmented, but Cardinal's purchase of Solaris (\$1.9B) and Integrated Oncology (\$1.12B) indicates it is investing to capture high-margin specialty infusion business  $t^{[12]}$ www.reuters.com). While overall Cardinal struggled (lost an OptumRx contract led to a \$60B quarter shortfall), it still beat EPS and raised guidance, pointing to core stability.

#### **Market Shares**

Precise market-share data in specialty pharmacy are rarely published, but industry surveys give a sense of concentration. A recent survey noted ~1,800 accredited specialty pharmacy locations in the U.S., about 40% hospital-owned ([7] retailwit.com). However, PBM-owned networks dominate revenues. According to Drug Channels Institute (DCI), the top five specialty pharmacies (across PBMs, health plans, independents) command a very large share. DCl's 2023 ranking of the top 15 specialty pharmacies found that three PBM-owned pharmacies accounted for roughly two-thirds of specialty prescription revenues ([7] retailwit.com).

The top entities typically include:

- Optum Specialty Pharmacy (UnitedHealth) estimated ~20-25% market share of specialty pharma dispensing.
- CVS Caremark/Accredo also on par (~20-25%).
- Express Scripts/Accredo similar range (~20%).
- Humana Solutions smaller.
- Part D private networks (e.g. Kaiser, Blue plans) collectively moderate share.
- Walgreens Specialty Pharmacy roughly top 5 (DCI reports place it prominently, possibly 5-10%).
- Specialty Independents (Diplomat pre-acquisition, CURA, et al) smaller.

For distribution, McKesson, ABB, and Cardinal each have on the order of \$60–90B in pharma distribution revenue per year, of which a meaningful portion is specialty (McKesson reported \$71.7B first quarter U.S. pharma, a 7% jump driven by specialty demand ([43] www.reuters.com)).

#### **Key Data Points**

Below are select statistics from credible sources that illustrate industry characteristics:

- **Patient Population:** Only a small fraction of patients take specialty drugs (often 2–10% of plan members), but this group accounts for ~50% of pharmacy spending ([3] www.evernorth.com).
- **Top Indications:** It is estimated that by count, *cancer* and *autoimmune* therapies dominate specialty drug claims (reflecting high incidence and multiple treatments per patient) ([20] dataintelo.com) ([21] dataintelo.com).
- **Prescription Volume:** In the U.S., **total specialty drug prescription volume** grew moderately (a few percent) as new therapies entered; however, volume growth is not as fast as spend growth, again due to high prices.
- Mail vs. Retail: The majority of specialty prescriptions are processed through mail-order channels (PBM networks); one survey found that over 60% of specialty Rx claims went through mail/order in late 2020s. (By contrast, 60% of all Rx claims are retail).
- Plan Coverage: Modern PBM formularies often require patients to use specific specialty pharmacies for coverage. This can steer tens of millions of claims per quarter.

These data underpin key trends: escalating costs, intense market concentration, and the large financial impact of even small patient populations.

# **Case Studies and Examples**

Examining particular events and initiatives helps illustrate the industry's dynamics and challenges.

#### 1. UnitedHealth Group Acquires Diplomat (2019)

In December 2019, **UnitedHealth Group** announced a ~\$300 million acquisition of **Diplomat Specialty Pharmacy**, merging it into OptumRx ([24] www.fiercehealthcare.com). Diplomat was a major independent specialty pharmacy with strong infusion services. This acquisition exemplifies vertical consolidation: UHG (through OptumRx) secured a broad portfolio of specialty and infusion businesses across all 50 states. Analysts noted this deal expanded Optum's specialty reach and was justified by the anticipated growth in high-cost therapies. It

underscores how payers are drawn to owning distribution channels for cohort of patients, aiming to internally capture margins and data from expensive drugs.

#### 2. Walgreens Specialty Network Expansion (2024–2025)

Walgreens Boots Alliance has made aggressive moves to compete as an independent specialty pharmacy. In August 2025, WBA announced that Walgreens Specialty Pharmacy had grown its *limited distribution drug* network to 265 products ([9] www.walgreensbootsalliance.com), claiming this makes it "among the leading networks in specialty pharmacies." Many specialty drugs (like Gilead's new HIV prevention agent *Yeztugo*, or Galderma's dermatology injectable *Nemulivi*) operate on limited distribution to control supply chains. WBA's strategy includes accepting any payer and highlighting its "independence" to serve all health plans ([9] www.walgreensbootsalliance.com). In June 2024, Walgreens launched a new Gene & Cell Services Pharmacy in Pittsburgh – an 18,000 sq. ft. innovation center for emerging therapies ([14] www.walgreensbootsalliance.com). This dedicated center and its 300 community-based specialty sites (the largest such network) show Walgreens aiming to be a frontline specialty provider. These initiatives indicate that even non-PBM pharmacies see specialty as a growth area.

#### 3. CVS Health Restructures Infusion Business (2024)

In October 2024, CVS announced it would **exit its core infusion services business**, closing or selling 29 regional pharmacies that provided intravenous therapies ([18]] www.reuters.com). CVS had previously spent \$2.1 billion to acquire Coram infusion services in 2013. The move acknowledged difficult economics in standalone infusion clinics, even for a giant. Nevertheless, CVS stated it would continue to provide certain specialty meds and nursing care nationally. This case highlights how the **site-of-care shift** is pressuring specialty players: many payers prefer shifting infusion from expensive dedicated clinics back to home infusion or office-administered drugs billed under the medical benefit when possible.

#### 4. Specialty Drugs in the Pipeline (2024–2025)

The specialty drug pipeline itself is a story. In 2024, the U.S. FDA approved a **record number of specialty medications**, including multiple gene therapies and high-cost biologics ([32] www.definitivehc.com). An illustrative example is *Casgevy* (casgevelimab, CRISPR gene therapy for sickle cell disease, priced ~\$2.2 million). Meanwhile, blockbuster drug classes have expanded indications: GLP-1 receptor agonists (like Novo Nordisk's *Wegovy* and Lilly's *Zepbound*) originally for diabetes now have obesity indications, fueling explosive demand. As one report notes, GLP-1 drugs "have a high monthly price tag (often over \$1,000), and with millions of individuals eligible... their expanded use has created an unprecedented surge in demand and corresponding drug spend" ([44] www.definitivehc.com). Specialty pharmacies have had to scale up rapidly to manage these patients — for example, Apple Valley Pharmacy (a regional SP) reported doubling patient volume in early 2024 to meet GLP-1 demand.

Case of biosimilars: In late 2023, Humira (AbbVie's arthritis biologic) came off patent in the U.S. Multiple biosimilars launched. Cigna announced it would remove Humira (branded) from certain plans in 2025 in favor of cheaper biosimilars ([17] ascellahealth.com). This reflects how payers (and their PBMs) drive adoption of biosimilars to lower specialty spend. Specialty pharmacies must then handle both branded and biosimilar fills — a complex transition.

#### 5. Regulatory and Litigation Developments

Regulatory scrutiny is also notable. In 2024–2025, federal probes targeted the largest PBMs and specialty chains. For example, the U.S. Justice Department investigated PBMs over alleged insulin pricing schemes, and a



specialty pharmacy sued Express Scripts claiming monopoly abuse by its subsidiary Accredo (alleging Accredo's rebating practices locked out competitors). These disputes underscore concerns over the middleman role in specialty pricing. On the legislative side, many states passed PBM transparency laws, and CMS launched investigations into unusual pricing behaviors in specialty drugs. These evolving rules will reshape how specialty pharmacies negotiate with payers and manufacturers.

In international context, Canada's Competition Bureau opened an antitrust probe into Express Scripts in 2025, over claims of "patient steering" in generics ([45] www.reuters.com), illustrating that regulatory interest extends beyond the U.S.

# **Emerging Trends and Future Directions**

Looking ahead, several developments stand out:

- Gene and Cell Therapy Proliferation. The number of FDA-approved gene therapies is expanding. By 2025, analysts anticipate around 12 new gene therapies per year ([32] www.definitivehc.com). These require ultra-cold supply chains and intricate scheduling. Specialty pharmacies will need to establish new protocols for such living therapies (patient-specific CAR-T, CRISPR edits). The U.S. healthcare system is already building centers of excellence for CAR-T; specialty pharmacies will collaborate for a seamless handoff in the treatment process ([46] www.definitivehc.com) ([47] www.definitivehc.com).
- Digital Health and Telepharmacy. The use of telemedicine and digital tools in specialty care is accelerating. Specialty Rx reports that "online pharmacies are a rapidly growing distribution channel" with home delivery and virtual counseling  ${}^{[16]}$ dataintelo.com). Expect expanded telepharmacy services: video consultations, Al-driven adherence bots (e.g. PillPack reminders), and remote monitoring (e.g. patients on anticoagulants via connected point-of-care INR devices). Digital platforms also enable broader access; a patient in a rural area can stick with a PBM-owned specialty pharmacy miles away via courier mail. COVID-19 spurred much of this change, and it remains a growth area.
- Advanced Analytics and AI. Advances in data science will impact specialty pharmacy. Machine learning models are being used to predict patient response, flag nonadherence risk, and manage inventories. As one industry blog notes, Al-powered predictive analytics can help providers "offer personalized therapy plans by predicting patient responses to specific drugs" ([15] ascellahealth.com). Pharmacy benefits managers may use AI to optimize benefit design around specialty medications. These changes promise better outcomes but also raise privacy and equity questions.
- Value-Based Contracting. Payers and PBMs are increasingly exploring guaranteed outcomes deals for high-cost drugs. For example, some gene therapies have outcomes guarantees (e.g. "money-back" if patient fails to respond). Specialty pharmacies are often required to track outcomes and report them as part of these contracts. The shift towards performance- or outcome-based pricing could transform which therapies become standard and how pharmacies measure success.
- Biosimilars and Competition. The coming wave of biosimilars (projected to capture 45% of the specialty biologics market by mid-2030s ([48] www.globalgrowthinsights.com)) will lead to substantial shifts. As biosimilars for Humira, insulin, and others penetrate markets, specialty pharmacies will handle more therapeutic switching. Payors may require biosimilars as first-line, pushing branded drug volumes down. Companies like CVS and Cigna are preparing formularies accordingly (as mentioned earlier with Humira ([17] ascellahealth.com)). This will likely increase price competition and patient access in the long run, though complexities remain (patent lawsuits, entry timing, interchangeability rules).
- Healthcare Policy and Pricing Reforms. Government influence will intensify. Policies in the U.S. to reduce drug prices (Medicare negotiation, inflation penalties) will especially affect specialty drugs. Stakeholders anticipate that some high-cost therapies may face price caps, rebates, or mandatory rebates if price growth outpaces inflation. Simultaneously, international regulations (EU price referencing, Nigerian local production mandates, etc.) may encourage more global collaboration on specialty pricing. Specialty pharmacies must navigate an increasingly regulated environment.
- Global Expansion. While North America remains the largest market, specialty care is globalizing. Emerging markets (e.g. Middle East centers of excellence, China's biopharma boom) will gradually represent bigger shares of specialty demand. Initiatives like the U.N.'s push for access to essential medicines may extend to certain specialty treatments. Technology (cloud pharmacy records, international telehealth) may allow specialty services to cross borders more easily.



• Consolidation and Competition. The trend of mergers and partnerships is likely to continue. Possible future moves could include further consolidation among distributors and pharmacies. Amazon might deepen its footprint (e.g. with PillPack's expansion into specialty), or new entrants could emerge (e.g. ride-sharing or logistics companies entering last-mile for drugs). Traditional payers may divest or more tightly integrate ancillary businesses depending on regulatory pressures.

In short, the specialty pharmacy industry is at a crossroads of innovation and pressure. Its future will be shaped by how well stakeholders adapt to unprecedented drug technologies, cost challenges, and digital transformation.

#### Conclusion

The specialty pharmacy sector continues to be one of the most dynamic and complex parts of healthcare. Fueled by cutting-edge therapies and large financial stakes, it has experienced rapid growth and consolidation. Today, a handful of large, vertically-integrated organizations (PBM-owned specialty pharmacies, retail chains, and insurers) manage the majority of specialty drug dispensing, while major pharmaceutical companies continue to supply an ever-expanding pipeline of high-cost treatments. Market data consistently show that specialty drugs dominate drug spending (approaching 50% of pharmacy budgets) and continue to outpace overall prescription volume growth ([3] www.evernorth.com) ([5] www.definitivehc.com).

This in-depth report has examined the historical context, current market structure, key players, and data trends in the specialty pharmacy industry. We have highlighted the dominant roles of CVS Health/Accredo, OptumRx/Diplomat, and Evernorth/Accredo - which together account for most specialty pharmacy revenue ([7] retailwit.com) - as well as significant contributions from retailers (Walgreens) and other chains. We described how distributors (McKesson, Cardinal, Cencora) are prioritizing specialty distribution, and how global pharma leaders (Roche, Novartis, etc.) are focusing R&D on specialty areas. Evidence from 2023-2025 shows strong market growth (single-digit prescription increases, double-digit spend increases) and massive investment in specialty capabilities (e.g. gene-therapy centers ([14] www.walgreensbootsalliance.com)).

Looking forward, the industry faces both opportunities and headwinds. Opportunities lie in breakthrough treatments that can transform patient lives, and in technological advancements that can improve service and control costs. Headwinds include drug pricing pressures, regulatory scrutiny, and the need to ensure patient access amid skyrocketing therapy costs. For example, the advent of multiple ultra-expensive gene therapies will test payment models and require new risk-sharing agreements. Payers and governments will likely intervene more in specialty drug pricing, which may alter market dynamics.

In conclusion, specialty pharmacy is poised to remain a critical and growing part of healthcare. Its key players – from PBMs and pharmacy chains to biotech manufacturers - will continue to drive industry direction. The ongoing challenge will be balancing innovation with sustainability, ensuring that patients can benefit from these advanced medicines without imposing unsustainable costs on the health system. This comprehensive review has illuminated current facts and trends, but the situation is evolving rapidly. Stakeholders should monitor clinical developments, market data, and regulatory changes closely.

#### Tables:

Table 1: Major U.S. Specialty Pharmacy Providers (2025)	Parent/Owner	Network/Brands	Specialty Focus
CVS Health Corporation	CVS Caremark (PBM of CVS)	Accredo Health Group; CVS Specialty Connect	Broad specialty (oncology, immunology, etc.); integrated mail/retail
UnitedHealth Group	OptumRx (PBM of UNH)	Optum Specialty Pharmacy (incl. Diplomat)	Chronic disease management, infused Rx; Medicare clients



Table 1: Major U.S. Specialty Pharmacy Providers (2025)	Parent/Owner	Network/Brands	Specialty Focus
Cigna (Evernorth)	Express Scripts (PBM of Cigna)	Accredo Health Group (Evernorth)	Variety of conditions; large Commercial and Medicare plans
Walgreens Boots Alliance	Retail Pharmacy Chain	Walgreens Specialty Pharmacy; Gene & Cell Services Pharmacy	Community-based specialty Rx; recently expanded gene/cell therapies
Humana Inc.	Humana Insurance	Humana Pharmacy Solutions	Targeted to Humana members (esp. rural, chronic conditions)
Prime Therapeutics	Blue Cross Plans (13 states)	PrimeRx Specialty Service	Specialty for affiliated BCBS members

Table 2: Selected Specialty Drug Manufacturers	Country	Notable Specialty Products / Areas
Roche (Genentech)	Switzerland	Herceptin (breast cancer), Rituxan (lymphoma), Ocrevus (MS), etc.
Novartis	Switzerland	Gleevec (leukemia), Cosentyx (psoriasis), Zolgensma (gene therapy)
Johnson & Johnson (Janssen)	USA	Stelara (Crohn's), Darzalex (myeloma), Imbruvica (lymphoma)
AbbVie	USA	HUMIRA (rheumatoid arthritis), Skyrizi (psoriasis), Mavyret (HCV)
Amgen	USA	Enbrel (arthritis), Prolia (osteoporosis)
Gilead Sciences	USA	Harvoni (HCV), Biktarvy (HIV)
Pfizer / BioNTech	USA/Germany	Ibrance (breast cancer), Xalkori (lung cancer), CAR-T (Yescarta)
Sanofi / Regeneron (Genzyme)	France/USA	Dupixent (dermatology/asthma), Sarclisa (myeloma), Libtayo (skin)

Sources: Company filings and press releases, industry reports, and news articles as cited above.

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#### IntuitionLabs - Industry Leadership & Services

North America's #1 AI Software Development Firm for Pharmaceutical & Biotech: IntuitionLabs leads the US market in custom AI software development and pharma implementations with proven results across public biotech and pharmaceutical companies.

**Elite Client Portfolio:** Trusted by NASDAQ-listed pharmaceutical companies including Scilex Holding Company (SCLX) and leading CROs across North America.

**Regulatory Excellence:** Only US AI consultancy with comprehensive FDA, EMA, and 21 CFR Part 11 compliance expertise for pharmaceutical drug development and commercialization.

**Founder Excellence:** Led by Adrien Laurent, San Francisco Bay Area-based AI expert with 20+ years in software development, multiple successful exits, and patent holder. Recognized as one of the top AI experts in the USA.

**Custom Al Software Development:** Build tailored pharmaceutical Al applications, custom CRMs, chatbots, and ERP systems with advanced analytics and regulatory compliance capabilities.

**Private AI Infrastructure:** Secure air-gapped AI deployments, on-premise LLM hosting, and private cloud AI infrastructure for pharmaceutical companies requiring data isolation and compliance.

**Document Processing Systems:** Advanced PDF parsing, unstructured to structured data conversion, automated document analysis, and intelligent data extraction from clinical and regulatory documents.

**Custom CRM Development:** Build tailored pharmaceutical CRM solutions, Veeva integrations, and custom field force applications with advanced analytics and reporting capabilities.

**Al Chatbot Development:** Create intelligent medical information chatbots, GenAl sales assistants, and automated customer service solutions for pharma companies.

**Custom ERP Development:** Design and develop pharmaceutical-specific ERP systems, inventory management solutions, and regulatory compliance platforms.

**Big Data & Analytics:** Large-scale data processing, predictive modeling, clinical trial analytics, and real-time pharmaceutical market intelligence systems.

**Dashboard & Visualization:** Interactive business intelligence dashboards, real-time KPI monitoring, and custom data visualization solutions for pharmaceutical insights.

**Al Consulting & Training:** Comprehensive Al strategy development, team training programs, and implementation guidance for pharmaceutical organizations adopting Al technologies.

Contact founder Adrien Laurent and team at https://intuitionlabs.ai/contact for a consultation.



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IntuitionLabs.ai is North America's leading Al software development firm specializing exclusively in pharmaceutical and biotech companies. As the premier US-based Al software development company for drug development and commercialization, we deliver cutting-edge custom Al applications, private LLM infrastructure, document processing systems, custom CRM/ERP development, and regulatory compliance software. Founded in 2023 by Adrien Laurent, a top Al expert and multiple-exit founder with 20 years of software development experience and patent holder, based in the San Francisco Bay Area.

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