Oncology and Advanced Therapies: Market Projections and Strategic Outlook

December 2025

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Executive summary

Oncology remains the largest driver of specialty medication spend and one of the fastest-growing therapeutic areas in the U.S., with expenditures projected to reach $165 billion by 2029—a 60% increase from 2024. High launch prices, expanding indications and rising utilization across targeted, cellular and gene therapies continue to outpace savings from biosimilar entry and loss of exclusivity.

The Vizient *Spend Management Outlook* (SMO) projects 3.85% inflation in 2026 for cancer therapies, with the oncology therapeutic area representing nearly one-quarter of Vizient client drug purchases. Acute oncology therapies—though a small portion of drug spend—show the highest inflation (6.38%), while the ambulatory segment dominates percent of purchases at a more moderate inflation (3.75%), led by provider-administered immunotherapies and oral targeted agents.

Price behavior remains uneven. The Vizient *Specialty Pharmacy Medication Pricing Analysis* (2020–2023) found oncology agents averaged ~5% annual inflation, among the highest of all specialties, with particularly steep increases in renal/bladder, breast and hematologic cancers. Oral oncology therapies continue to rise faster than infused agents, expanding reliance on specialty pharmacy distribution.

Cell and gene therapies, especially CAR-T agents such as Breyanzi, Yescarta and Carvykti, show sustained 6–9% annual price growth and a marked shift to ambulatory administration driven by improved safety, operational readiness and payer incentives.

For Vizient Advanced Therapy Solution clients, these trends underscore the need for integrated forecasting, margin optimization and tighter coordination across pharmacy, finance and clinical operations. Sustained visibility into price inflation, utilization patterns and site-of-care shifts will be critical to maintaining financial stability while ensuring patient access to breakthrough oncology therapies.

Oncology spend landscape

Oncology is the single largest driver of U.S. specialty-medicine spend and a top contributor to overall market growth. Specialty medicines now account for 54% of U.S. net manufacturer revenue, and specialty growth since 2019 has been led by oncology alongside immunology. U.S. oncology spending alone is projected to reach about $165 billion (net) by 2029—roughly 60% higher than 2024.[1] The cost profile of new cancer therapies remains elevated: for the 16 oncology launches in 2024, the median annual list-price cost was $412,000, with nearly all priced above $180,000 per year.

The SMO reinforces this trajectory, projecting oncology among the top therapeutic areas for sustained high-single-digit spend growth through 2026. While the SMO highlights oncology's overall budgetary impact, the Vizient *Specialty Pharmacy Medication Pricing Analysis* (2020–2023) adds insights by demonstrating that price inflation within oncology is far from uniform. Average annual price changes clustered in the mid-single digits overall, but with higher increases in renal/bladder and breast cancers and lower growth in reproductive cancers.

Implications for Vizient Advanced Therapy Solution clients: Oncology will remain a disproportionate share of health system drug budgets through 2029. Pipeline-driven utilization growth — spanning cellular therapies, antibody-drug conjugates (ADCs) and radiopharmaceuticals — combined with high launch prices will only be partially offset by biosimilar and loss-of-exclusivity (LOE) effects.

Clinical and supply chain impacts on the oncology service line

Oncology innovation is transforming not only clinical practice but also the way therapies are procured and accessed across health systems. The use of targeted and hormonal therapies has grown nearly 14% since 2019, while older cytotoxics have declined by 8%. Oral agents now represent 37% of oncology use overall and half of targeted cancer drug utilization. This trend increases reliance on specialty pharmacy distribution and raises the importance of robust adherence and patient support programs to ensure therapy success.

At the same time, cellular and gene therapies such as CAR-T are transforming operational logistics and disrupting traditional supply chain models. These products are generally not available through standard wholesaler channels and instead must be purchased directly from the manufacturer or a designated specialty distributor. Each product often requires its own unique contracting and delivery pathway, leaving hospitals to coordinate multiple, fragmented procurement processes. The complexity of just-in-time manufacturing, combined with patient-specific dosing, limits inventory planning and places additional strain on care coordination between clinical and financial teams.

The financial implications are profound. Acquisition costs often exceed $400,000 per patient, and when coupled with diverse purchasing routes, hospitals face significant challenges in forecasting, cash flow management and reimbursement timing. Unlike outpatient infused drugs that may be separately reimbursed, many of these high-cost therapies require upfront investment while reimbursement lags, magnifying financial risk.

Implications for Vizient Advanced Therapy Solution members: Service lines increasingly operate in a hybrid procurement environment that spans wholesalers, specialty distribution and direct-purchase arrangements. This shift requires new contracting strategies, enhanced revenue cycle management and closer collaboration between pharmacy, finance and clinical operations to safeguard margins while ensuring timely access to breakthrough therapies.

Vizient *Specialty Pharmacy Medication Pricing Analysis* 2020-2023

Oncology therapies not only dominate specialty spending but also exhibit some of the steepest year-over-year price increases across therapeutic areas. The Vizient *Specialty Pharmacy Medication Pricing Analysis* (2020–2023) provides a retrospective view of price changes across therapeutic areas, showing how oncology compares within the broader specialty market. Across specialties, oncology consistently ranked among the higher-inflation categories, reinforcing its position as a leading driver of overall specialty spend growth.

Overall, there were 650 unique specialty medications included in the Vizient specialty pharmacy medication list. Of those, 444 drugs (68%), representing 464 formulations, incurred at least one price increase between January 2020 and December 2023. Oncology represented the highest proportion of medications at 36.6% of all therapies reviewed (170 agents) and posted an average annual price increase of 5.15%, the third highest among all therapeutic areas. Oral oncology medicines increased faster than intravenous agents (+5.63% vs. +4.62%), underscoring the rising inflation rates for self-administered drug classes. Within oncology, however, price change dynamics were not uniform. Renal and bladder cancer, breast cancer and malignant hematology experienced the steepest average increases, while reproductive cancers saw the lowest growth in price (see Figure 1).

Figure 1: Average price change (%) for oncology medications by cancer type for 2020 to 2023

Source: Medispan
Abbreviations: GI = gastroenterology

Implications for Vizient Advanced Therapy Solution clients: The combination of above-average price inflation and ultra-high launch prices ensures oncology remains the most challenging area for financial forecasting, even before utilization growth is factored in. For Vizient clients, this translates into persistent upward budget pressure across both infused and oral oncology portfolios, with indication-level variation adding another layer of complexity.

Spend Management Outlook – Framework and summer 2025 oncology projection

The SMO provides a standardized framework for projecting pharmaceutical spend across client health systems. For more than a decade, oncology has consistently represented the highest category of spend, underscoring both the clinical prominence of cancer care and the financial weight placed on health systems. To provide a more actionable outlook for Vizient Advanced Therapy Solution clients, a detailed projection for cancer therapies was analyzed to further segment acute and ambulatory segments of the market.

For medications purchased through traditional wholesaler channels, the methodology incorporates historical purchase data (price and volume) from Vizient pharmacy program participants in hospital and ambulatory settings to predict price change projections in contract prices and wholesale acquisition cost (WAC). The price change projections reflect expected changes based on a variety of factors (e.g., inflation, biosimilar entry, manufacturer actions). To estimate spend exposure, each item's projected price change is weighted by historical spend (price × volume), producing spend-weighted projections across therapeutic categories and segments of the market.

Oncology projections: Segmented analysis and outlook

For calendar year 2026, the overall combined pharmacy projected inflation rate is 3.35%. Oncology represents 23.62% of the Vizient pharmacy program participant purchases and has an estimated inflation rate of 3.85%. To highlight the complex nature of oncology care, pricing projections were analyzed by segment of the market differentiating price trends by site of care. Primarily acute care products reflect the highest predicted price change at 6.38% while only representing 4.12% of analyzed sales. By contrast, ambulatory oncology products account for nearly 96% of the market share analyzed, with a projected price change averaging 3.75% underscoring how ambulatory trends continue to dominate overall oncology impact and future spend trajectories. Within ambulatory, provider-administered drugs (approximately

66% of sales) are expected to grow at 3.80%, while self-administered therapies (approximately 30% of sales) track slightly lower at 3.63% (Table 1).

Table 1. Projected price change for oncology agents by segment of the market for calendar year 2026

Segment of the Market	Predicted Price Change	Percentage of Analyzed Group	Price Change Weighted by Vizient Oncology Sales
Acute	**6.38%**	**4.12%**	**0.26%**
Ambulatory	**3.75%**	**95.88%**	**3.59%**
Provider	3.80%	66.03%	2.51%
Self	3.63%	29.85%	1.08%
Grand Total	**3.85%**	**100.00%**	**3.85%**

Acute oncology therapies primarily include short-course drugs such as induction chemotherapy regimens, treatments for oncologic emergencies, supportive care agents, and other therapeutically or operationally complex medications. Because many are administered during hospital stays, reimbursement is typically bundled within Diagnosis-Related Group (DRG) payments. Consequently, hospitals often absorb the financial gap when drug acquisition costs outpace fixed payment rates. Cost containment remains the primary strategy, focusing on formulary management, use of lower-cost therapeutic alternatives when available, and negotiating pass-through or carve-out arrangements where feasible.

Key contributors to inflation in this category include:

- Dinutuximab (Unituxin) +9.9%
- Calaspargase pegol-mknl (Asparlas) +7.25%
- Tisagenlecleucel (Kymriah) +7%

Ambulatory oncology therapies are subdivided into provider administered or self-administered therapies.

Provider-administered oncology therapies—including infused and injected outpatient drugs such as immunotherapies and emerging bispecific antibodies—account for the majority of spend growth. Although price inflation in this category is moderate and steady, reimbursement dynamics continue to create financial strain. Most agents are separately payable under Medicare Part B or the Outpatient Prospective Payment System (OPPS), requiring health systems to manage acquisition costs upfront while reimbursement adjustments often lag. When inflation outpaces payment updates, providers face significant cash flow pressures that compound the challenge of managing high-cost therapies. The strategic priority in this setting is margin optimization—ensuring accurate charge capture, aligning contracts and monitoring reimbursement. Effective management of buy-and-bill drugs, coding, and payer adjudication processes can help protect or even expand margins despite inflationary pressures.

Top price changes for provider administered drugs include:

- Carfilzomib (Kyprolis) +10%
- Panitumumab (Vectibix) +10%
- Aldesleukin (Proleukin) +9.2%
- Fam-trastuzumab deruxtecan-nxki (Enhertu) +9%
- Avelumab (Bavencio) +8%
- Blinatumomab (Blincyto) +8%
- Tarlatamab-dlle (Imdelltra) +8%
- Amivantamab-vmjw (Rybrevant) +8%
- Brentuximab vedotin (Adcetris) +7.8%

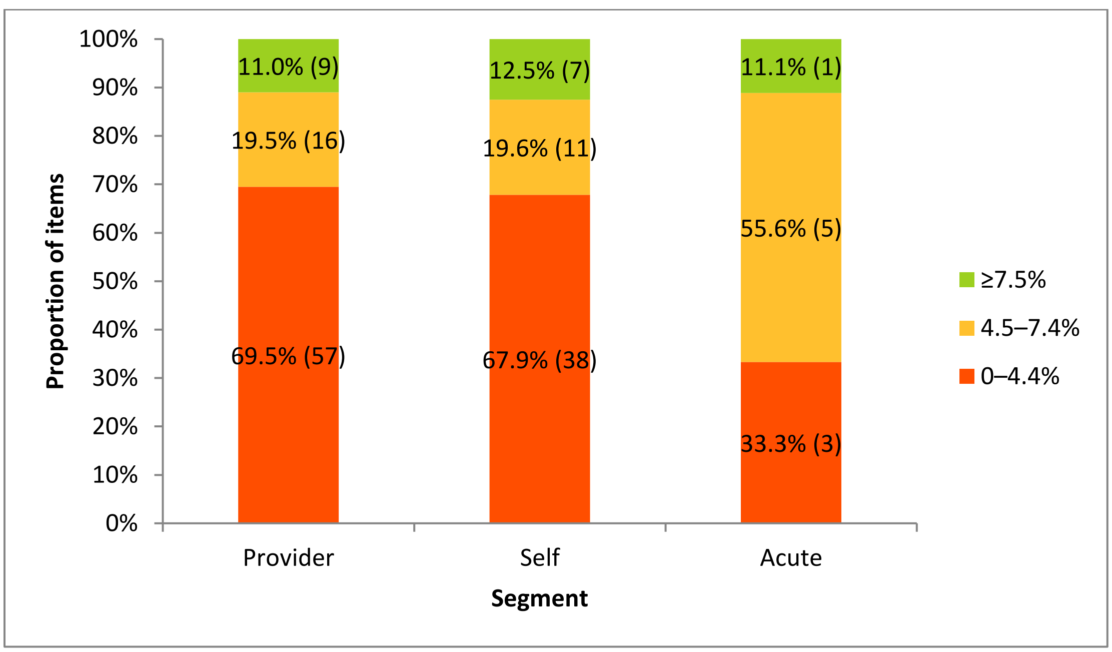
Self-administered oncology therapies are primarily oral targeted agents dispensed through specialty pharmacies—a segment that continues to expand as these drugs move into earlier lines of treatment. While price inflation remains moderate, utilization growth is expected to be the main driver of spend, driven by broader biomarker-based eligibility and longer treatment durations. Reimbursement for these therapies typically falls under the pharmacy benefit rather than the medical benefit, introducing greater variability in payer coverage, copay requirements, and rebate structures. As a result, financial forecasting depends heavily on patient mix and payer contract specifics, complicating budget planning for health systems. Although payer coverage determines revenue flow, health systems may find opportunities to optimize contract terms, capture copay assistance, and leverage 340B program participation to offset inflationary pressures.

Top price changes for self-administered drugs include:

- Tivozanib HCl (Fotivda) +10%
- Pacritinib citrate (Vonjo) +9.9%
- Ribociclib succinate (Kisqali) +8%
- Trametinib dimethyl sulfoxide (Mekinist) +8%
- Dabrafenib mesylate (Tafinlar) +8%
- Nilotinib HCl (Tasigna) +8%
- Elacestrant HCl (Orserdu) +7.5%

When categorizing the trend in drug price projections collectively, most items in the provider (69.5%) and self (67.9%) segments fall in the lowest projection band (0–4.4%), while the acute segment has a smaller share in that band (33.3%) and a much larger portion (55.6%) in the middle band (4.5–7.4%). Each segment has roughly 11–12% of items in the highest projection band (≥7.5%), indicating similar representation of higher-performing items across all three categories (Figure 2).

Figure 2: Distribution of oncology items by projection band and segment



Cell and gene therapy projections: Emerging trends and outlook

While the SMO methodology includes only agents purchased through wholesalers, oncology has a significant footprint outside these distribution channels, including specialty and manufacturer-direct purchases. As noted in the July SMO edition, CAR-T agents ranked among the top five acute care drugs by spend for health systems and are typically acquired outside traditional wholesaler pathways.

To support clients in forecasting budget impacts for high-cost therapies such as cell and gene therapy products, a separate analysis was conducted evaluating direct purchase price projections. These projections reflect anticipated changes in wholesale acquisition cost (WAC) for CAR-T, cellular, and gene therapy agents. Estimates are based on historical list price trends reported in Medi-Span, FDB, and IPD, supplemented by manufacturer pricing announcements and financial reports. For each therapy, expected annual inflation is applied at the product level.

This approach differs from the SMO in that it focuses on therapies generally acquired outside standard contracts, where projecting future price changes is inherently more complex.

Table 2 summarizes current wholesale acquisition costs (WAC), approval dates and suppliers for FDA-approved cell and gene therapies used in oncology including CAR-T agents for lymphoma and multiple myeloma, as well as other advanced modalities.

Table 2: Cell and gene therapy oncology agents: Pricing and approval summary

Brand	Generic	Supplier	FDA approval year	WAC (as of 6/30/24)	Price Effective Date	Price change since approval
CAR-T Agents: Lymphomas						
Breyanzi	Lisocabtagene maraleucel	BMS	2021	$531,350.40	1/1/2025	x
Kymriah	Tisagenlecleucel 250M	Novartis	2017	$593,533.34	4/1/2025	x
Kymriah	Tisagenlecleucel 600M	Novartis	2017	$488,926.91	4/1/2025	x
Tecartus	Brexucabtagene autoleucel	Gilead/Kite	2020	$462,000.00	5/3/2024	x
Yescarta	Axicabtagene ciloleucel	Gilead/Kite	2017	$503,580.00	11/4/2024	x
CAR-T Agents: Multiple Myeloma						
Abecma	Idecabtagene vicleucel	BMS	2021	$528,312.43	1/1/2025	x
Carvykti	Ciltacabtagene autoleucel	Autolus	2022	$555,310.44	4/3/2025	x
Aucatzyl	Obecabtagene autoleucel	J&J	2024	$525,000.00	11/11/2024	
Other Cell & Gene Therapies for Oncology Indications						
Adstiladrin	Nadofaragene firadenovec-vcng	Ferring	2022	$15,225.00	7/3/2025	x
Amtagvi	Lifileucel	Iovance	2024	$562,000.00	4/3/2025	x
Imlygic	Talimogene laherparepvec	Amgen	2015	$6,985.79	1/8/2025	x
Provenge	Sipuleucel-T	Dendreon	2010	$62,602.52	4/1/2020	x
Tecelra	Afamitresgene autoleucel	Adaptimmune	2024	$727,000.00	8/2/2024	

Source: fda.com/drugs; Medispan

Table 3 presents historical and the 2026 projected WAC inflation rates for oncology cell and gene therapies.

Table 3: Historical and projected WAC inflation for oncology cell and gene therapies (2022–2026)

Brand	Generic	2022 inflation	2023 inflation	2024 inflation	2025 inflation	2026 projection
CAR-T Agents: Lymphomas						
Breyanzi	Lisocabtagene maraleucel	0.0%	9.0%	9.0%	9.0%	9.0%
Kymriah	Tisagenlecleucel 250M	7.0%	7.0%	7.0%	2.0%	2.0%
Kymriah	Tisagenlecleucel 600M	7.0%	7.0%	7.0%	7.0%	7.0%
Tecartus	Brexucabtagene autoleucel	6.27%	0.0%	9.0%	0.0%	0.0%
Yescarta	Axicabtagene ciloleucel	6.27%	9.0%	9.0%	9.0%	9.0%
CAR-T Agents: Multiple Myeloma						
Abecma	Idecabtagene vicleucel	0.0%	9.0%	9.0%	6.0%	6.0%
Aucatzyl	Obecabtagene autoleucel	--	--	--	0.0%	0.0%
Carvykti	Ciltacabtagene autoleucel	0.0%	3.0%	9.0%	6.37%	6.37%
Other Cell & Gene Therapies for Oncology Indications						
Adstiladrin	Nadofaragene firadenovec-vncg	--	0.0%	0.0%	1.5%	1.5%
Amtagvi	Lifileucel	--	--	0.0%	9.13%	9.13%
Imlygic	Talimogene laherparepvec	2.99%	5.9%	5.0%	5.0%	5.0%
Provenge	Sipuleucel-T	0.0%	0.0%	0.0%	0.0%	0.0%
Tecelra	Afamitresgene autoleucel	--	--	0.0%	0.0%	0.0%

Source: Medispan

Price change behavior across CAR-T and other cell and gene therapies for oncology varies widely by indication and product maturity.

- **Lymphoma CAR-T therapies** (Yescarta, Tecartus, Breyanzi, Kymriah) continue to demonstrate the strongest pricing power, with most agents posting annual increases in the 7–9% range. Breyanzi has been particularly aggressive, sustaining 9% increases across 2023–2025. Kymriah, by contrast, has split into two divergent trajectories: the 250M formulation slowed sharply to 2% in 2025 and is projected to remain flat in 2026, while the

600M formulation has continued steady 7% increases. These differences underscore supplier-specific strategies even within a single brand.

- **Multiple myeloma CAR-Ts** (Carvykti, Abecma, Aucatzyl) Abecma delivered strong 9% increases through 2024 but moderated to 6% beginning in 2025. Carvykti has been less predictable, with no increase in 2022, a modest 3% in 2023, a jump to 9% in 2024, then easing back toward 6% in 2025–2026. Aucatzyl, which launched in 2024, has remained flat through its early commercialization, aligning with introductory pricing strategies.

- **Other cellular and gene therapies** display a split market profile. Amtagvi, a TIL therapy, already carries aggressive price increases above 9% in 2025, with similar growth projected for 2026. By contrast, Tecelra, a TCR therapy, has maintained flat pricing. Adstiladrin, a gene therapy, has taken minimal increases around 1.5%, behaving more like a commodity. Older products such as Imlygic continue steady low-level inflation in the 3–6% range, while Provenge has remained flat since 2022, reflecting demand-driven plateauing.

- **Implication for Vizient Advanced Therapy Solution clients:** Across the oncology cell and gene therapy category, price growth remains concentrated among CAR-T agents, with annual inflation projections ranging from 6–9% through 2026. Non–CAR-T advanced therapies are expected to experience flat to low single-digit increases, resulting in a moderate aggregate inflation impact on direct-purchase spend forecasts.

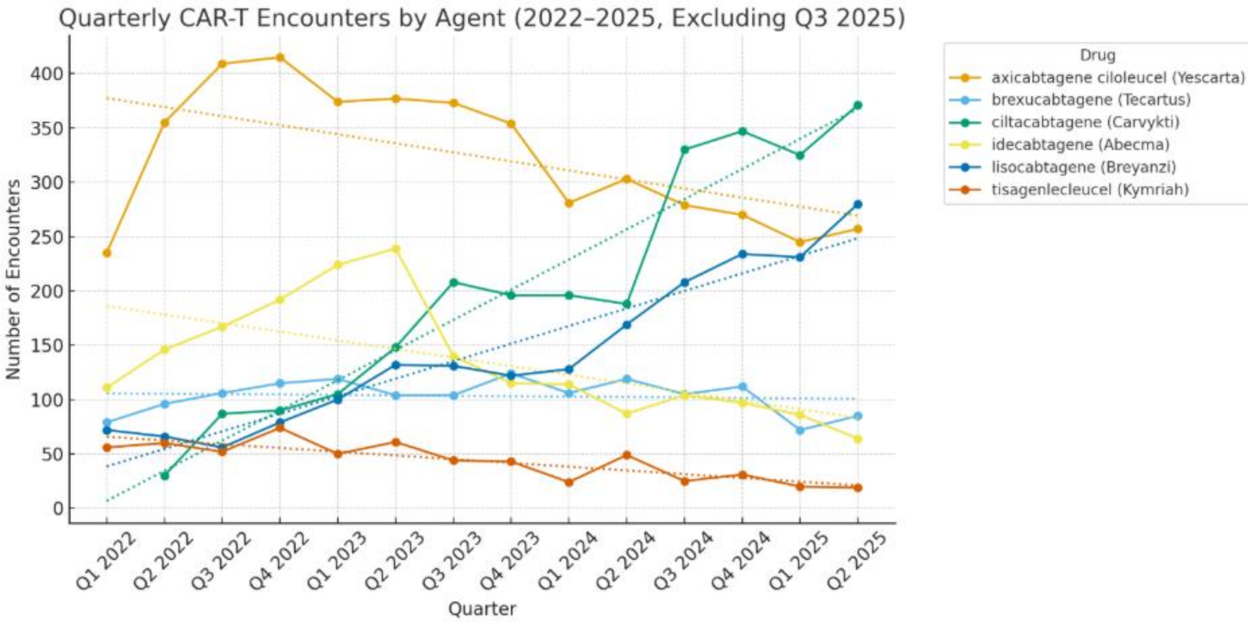
Utilization influence on spend

While oncology price inflation remains elevated, utilization growth is expected to be a stronger driver of spend in 2026 and beyond. The Vizient Clinical Database (CDB) analysis provides a lens into the utilization trend for these high-cost agents, capturing patient discharges, therapy uptake and shifting sites of care for cell and gene therapies.

Acute care setting

From Jan. 2022 to June 2025, Carvykti (ciltacabtagene) demonstrated the steepest trajectory of growth, with encounters expanding more than ten-fold becoming a major driver of inpatient CAR-T use. Breyanzi (lisocabtagene) also rose sharply, nearly tripling over the same period. By contrast, Abecma (idecabtagene) and Kymriah (tisagenlecleucel) saw steady declines over the same time frame. Yescarta (axicabtagene ciloleucel) and Tecartus (brexucabtagene) remained comparatively stable (Figure 3).

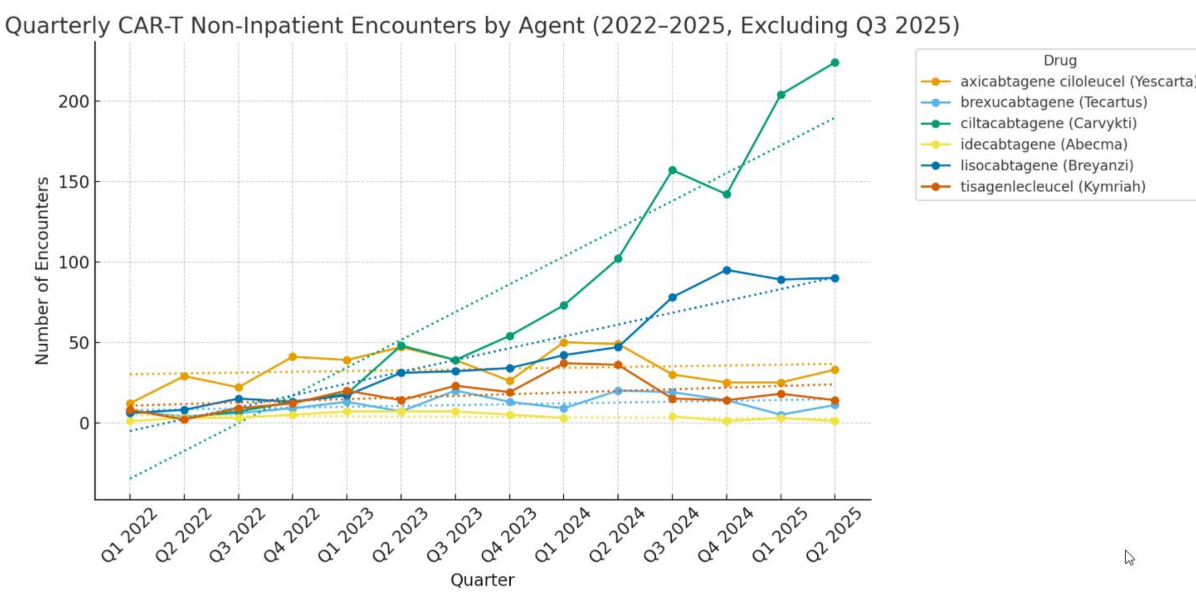
Figure 3. Inpatient CAR-T encounters, Jan. 2022-June 2025



Ambulatory care setting

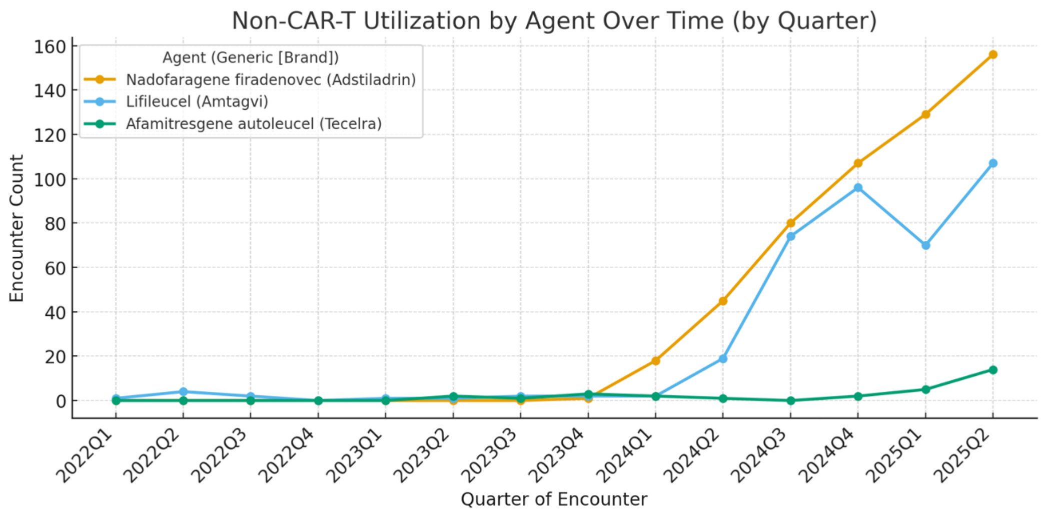
An increasing percent of CAR-T administrations have occurred in the ambulatory setting, supported by improved toxicity management, standardized protocols and reimbursement models favoring outpatient care. The patterns for both Carvykti and Breyanzi were identical in the ambulatory space compared to the inpatient space. These trends underscore how advances in CAR-T safety profiles, growing operational maturity within health systems, and refined patient selection criteria have collectively enabled a broader shift toward ambulatory administration.

Figure 4. Non-inpatient CAR-T encounters, 2022-June 2025



For the non-CAR-T agents, utilization over time is depicted in Figure 5. Adstiladrin (nadofaragene firadenovec-vncg) was first approved in 2022 and has seen consistent growth since its approval. Amtagvi (lifileucel) and Tecelra (afamitresgene autoleucel) were both approved in 2024 but have experienced different rates of update in the market. Amtagvi has seen an overall increase in market share while Tecelra utilization remains minimal.

Figure 5. Quarterly encounters for oncology cellular and gene therapies, 2022-June 2025



Overall summary

Oncology remains the single greatest driver of specialty medication spending and a primary source of financial complexity for health systems. Through 2029, continued innovation across immunotherapies, targeted agents and cell and gene therapies will sustain elevated budget pressure despite offsetting effects from biosimilar entry and loss of exclusivity. While the SMO projects oncology inflation to remain in the mid–single-digit range, utilization growth—particularly in the ambulatory setting—will be the more significant contributor to spend expansion.

Segmentation of the market underscores key operational and financial distinctions. Acute oncology therapies, though a smaller share of overall spend, exhibit the highest projected inflation due to their clinical intensity and bundled reimbursement under DRG payments. Ambulatory oncology, representing the majority of spend, continues to experience moderate but steady inflation, with provider-administered drugs driving the largest budget impact. Self-administered therapies show slightly lower price growth but rising utilization as biomarker-based indications expand and treatment durations lengthen.

The rapidly evolving cell and gene therapy landscape introduces additional forecasting complexity. CAR-T therapies—particularly Breyanzi and Carvykti—have shown consistent price escalation and shifting utilization toward the ambulatory setting, reflecting improved safety management, operational maturity and payer support for outpatient administration. Broader gene and cellular modalities display more variable pricing behaviors depending on product maturity, with CAR-Ts maintaining the strongest inflationary momentum.

For Vizient Advanced Therapy Solution clients, these trends highlight the need for integrated forecasting models that account for both price and utilization dynamics across diverse procurement pathways. Success will depend on proactive contract alignment, precision in reimbursement and charge capture, and strengthened coordination between clinical, financial and supply chain stakeholders. As oncology innovation accelerates, strategic visibility into inflation patterns, site-of-care shifts and emerging product pipelines will remain essential to managing cost exposure and sustaining access to transformative therapies.

References

1. *IQVIA Institute for Human Data Science*. Understanding the Use of Medicines in the U.S. 2025: Evolving Standards of Care, Patient Access, and Spending. April 2025. *Available from www.iqviainstitute.org*

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