

## University of Miami Consulting Group

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**Topic:** Weighing the Ethics: Ozempic's Moral Dilemmas

**Audience:** Board of Directors and Executive Suite of Novo Nordisk

### Executive Summary

Novo Nordisk, a global leader in diabetes and obesity care, faces legal, financial, and ethical challenges tied to its pricing of semaglutide-based drugs like Ozempic and Wegovy. Despite strong shareholder returns and innovation in chronic disease care, its U.S. pricing strategy raises concerns over regulatory compliance, financial sustainability, and mission-driven integrity.

Legally, the company risks liability under the False Claims Act (FCA) if inflated list prices cause government overpayment through Medicare or Medicaid. While Novo Nordisk may not intend to mislead, "reckless disregard" suffices for FCA violations. Novo Nordisk also faces antitrust scrutiny for aggressive patenting and large U.S.-international price disparities. Additionally, state attorney generals may file consumer protection cases over accessibility claims that mask true costs for patients.

Financially, we recommend a gradual 23% list price reduction for Ozempic (currently \$997) and Wegovy (currently \$1349) by 2033. Paired with manufacturing efficiencies and market growth, this strategy would maintain profitability, improve patient access, and align with global affordability standards. With GLP-1 demand projected to hit \$100 billion by 2030, Novo Nordisk must reduce reliance on opaque rebate structures, which currently consume 74% of list price revenue and inflate out-of-pocket costs. Current conditions, risk greater burdens on U.S. health systems and potential legislative action.

Ethically, Novo Nordisk has an opportunity to better align practices with its values of affordability, equity, and human rights. The company supports Article 25 of the UN Declaration of Human Rights, affirming access to medical care, yet U.S. pricing limits access for uninsured, low-income, and minority populations, those most vulnerable to obesity and diabetes. Public perception is further influenced by the company's financial priorities: from 2018 to 2022, Novo Nordisk invested twice as much in shareholder returns compared to research and development. This raises questions about whether profits are preceding patient-centric goals.

Our recommendations aim not to criticize but to help close the gap between Novo Nordisk's mission and market behavior, positioning the company as a scientific and values-driven leader in the eyes of patients, regulators, and the global public.