

BPT

doctors at Cleveland Clinic manage their patients' chronic diseases. "If you asked me to predict," he says, "I'd say there is going to be a future for it."

Others see a trickier balance. Medical-record coordination in many places simply isn't that advanced, says Dr. Robert Wergin, a practicing physician in Milford, Neb., and president of the American Academy of Family Physicians. That means many physicians don't necessarily find out when their patients have received care at a retail clinic, and that can be dangerous if the patient underestimates the severity of a complaint. Says Wergin: "What you find in the practice of medicine is that every sore throat is not just a sore throat."

CVS acknowledges that issue—and says it is prepared. It's not unusual for MinuteClinic to send drop-in patients out of the store to a place that can offer a higher level of care like an urgent-care center or emergency room. "People don't realize how sick they are," says Pires, the nurse practitioner in Woonsocket. "MinuteClinic is probably not somewhere where you should be experiencing chest pain."

Things are more complicated for patients who don't have a primary-care physician (which describes half the patients who visit MinuteClinic, according to CVS). Without the high-tech record sharing that happens with CVS's 51 health-system partners like Cleveland Clinic, nurse practitioners at a MinuteClinic may not have access to a patient's history or the ability to update a primary-care physician if the patient does eventually get one. And though MinuteClinic nurse practitioners proactively offer to help patients find a primary-care doctor, it is ultimately up to the patient. For that reason, Wergin is disconcerted by the idea that MinuteClinic might offer services for the chronically ill. "If you are getting your blood sugar checked, you should see a doctor who knows the disease," he says.

The Pharmacist CEO

EXAM ROOMS AND TREATMENT PLANS ARE a long way from where CVS started. Its history traces back to 1963, when it was a health-and-beauty store in the working-class town of Lowell, Mass. Eager to take advantage of the easing of price controls for drug products by selling their merchandise at a discount, the founders—brothers Stanley and Sidney Goldstein and their partner, a salesman at Procter & Gamble—called the business Consumer Value Stores.

CVS began selling pharmaceuticals in 1967 and in 1990 acquired Peoples Drug—where a young pharmacist in Washington, D.C., named Larry Merlo had become a regional vice president. After Peoples became part of CVS, he ascended the ranks until he became CEO in 2011. Merlo's colleagues say the CEO—noticeably down to earth in person—still clears the shopping carts out of CVS parking lots out of instinct from his days as a store manager and pharmacist.

Merlo's background as a pharmacist seems to be at the heart of a goal that's less splashy than the MinuteClinic expansion but may play a more crucial role in the health of the average American: getting people to take their medicine. Specifically, getting them to take it on time and as instructed. Failure to take medication correctly costs the U.S. health care system up to \$300 billion and results in 125,000 deaths every year, according to the Centers for Disease Control and Prevention. Estimates show that about a third of patients fail to fill their new prescriptions, for all kinds of reasons—because they are too expensive, have unpleasant side effects or seem to have no impact on their symptoms.

CVS thinks it can help with cutting-edge ideas like using data to identify high-risk patients and filling their prescriptions in prepackaged morning, noon and night doses, or alerting their physicians that they haven't purchased a medication. As a prescription-benefit manager, CVS can also design employee prescription plans so that patients aren't charged any co-pay for vital prescriptions that treat chronic problems like high cholesterol. Since

roughly half of the U.S. population suffers from a chronic illness that requires numerous prescriptions, this kind of medication management keeps growing in importance.

What's Really in Store?

CVS ENVISIONS SAVINGS FOR THE U.S. health care system—and, of course, profits for its shareholders. Health care leaders say there's logic there: in the Obamacare era, physicians may come to rely on retail clinics to outsource the little things so they can take better care of more patients.

What remains to be seen is whether there are risks that come with the potential. How will CVS's business selling prescriptions affect the policies and decisions in its clinics? That inherent conflict of interest has long concerned medical professionals, though how it affects patients isn't clear. Consumer advocates worry that CVS is already too powerful, thanks to its role as a pharmacy-benefit manager. The company recently made an exclusive deal to cover Gilead Sciences' controversial drugs for hepatitis C, making them the only option for patients whose prescriptions CVS manages unless they get prior authorization from their doctor.

That arrangement reflects CVS's ability to pit pharmaceutical companies against one another to get the lowest price. CVS says that this saves patients money and that doctors and patients can seek exceptions. "There is a process to work through the physician and the benefit-plan design to ensure that the patient is on the right therapy at the end of the day," says Merlo. Overall, CVS says, MinuteClinic patients walk away with prescription costs on a par with or lower than those of other providers like emergency rooms.

Merlo is wasting no time in thinking up new ways to play a bigger role in customers' health. Any day now, CVS will launch a technology-development office in Boston with 100 employees hired to devise everything from new ways for consumers to manage medications on their phones to telemedicine programs that will let MinuteClinic patients see nurse practitioners through a computer screen. And now that tobacco has been purged from the shelves, customers will soon notice a healthy food makeover too. Merlo calls CVS's journey from beauty store to health care provider an "evolution, not a revolution." For CVS's 100 million customers, the impact will be huge either way.

Retail clinics can offer fast treatment at relatively low prices—but critics say patients with chronic conditions need to see a doctor, not a drugstore