

Wal-Mart CEO Hard-Selling Health Care Reform

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WASHINGTON — Wal-Mart's CEO Lee Scott isn't waiting around for Washington's power elite to reform health care. He's taking on the job himself, one gigantic retail store at a time.

In the past 2 years, Wal-Mart has established on-site medical clinics in 76 of its stores, and plans to open several thousand more clinics over the next 5 years. Last year, the company began offering \$4 generic prescriptions, a move hailed by some as a major step forward in reducing drug costs for millions of Americans, but scorned by others as a low-brow marketing ploy.

Under Mr. Scott's leadership, Wal-Mart is forming alliances with other major corporations to push the federal government to establish universal health insurance coverage and transportable, patient-owned electronic medical records.

Welcome to health reform, Wal-Mart style.

"The time for politics in health care is over. We need action to create affordable accessible and high quality health care. I believe American business can lead and we should lead. We must be a catalyst for pos-

itive change," said Mr. Scott, speaking at the fourth annual World Health Care Congress, sponsored by the Wall Street Journal and CNBC.

Revered by some, reviled by others, Mr. Scott is unquestionably one of the most active corporate leaders on health care issues. He seems determined to make the Wal-Mart store a locus of affordable basic health care for millions of Americans.

"We now have 76 independently owned clinics in our stores in the U.S. In the next 4 years, we plan 2,000 such clinics. We know customers like and want them. Ninety percent of patients going to these clinics are satisfied or very satisfied with the service. It's fast, easy, and convenient," Mr. Scott said. "We can drive effectiveness in these settings."

Wal-Mart's "RediClinics" are owned and operated by an independent company, not by Wal-Mart itself. They are typically staffed by nurse practitioners who have ready access to physician and hospital backup if needed.



RediClinics, housed inside Wal-Mart stores, are typically staffed by nurse practitioners with access to physician backup.

Wal-Mart is not the only retail chain to get into health care services. Walgreen's, CVS, Target, and Kroger all have or are exploring some form of quickie clinic, and there are a number of independent companies such as MinuteClinic and Take Care Health, competing for the contracts.

Though they are no replacement for comprehensive physician or hospital services, the retail-floor quickie clinics can provide what even many well-run physician offices cannot: instant access walk-in service, without appointments or waiting time, and at affordable and clearly visible prices. That's an awfully enticing combination for many Americans, and the retail clinic model is clearly filling a need. Surveys of customers using the Wal-Mart RediClinics indicate that more than half are uninsured, suggesting that the clinics may be serving as a vital primary care center for many.

"Fifteen percent said they would have had to go to the emergency room for care if the store clinic was not there. Twenty percent were parents bringing children in for treatment," said Mr. Scott.

That latter fact has not exactly endeared Mr. Scott to the leadership of the American Academy of Pediatrics, which has been outspoken in its criticism of Wal-Mart's clinics and retail-based medicine. But Mr. Scott believes that store-based care is better than no care at all.

Other medical organizations, including the American Medical Association and the American Academy of Family Physicians, have taken a softer stance toward the retail clinic trend, acknowledging that the clinics are a reality, while at the same time pushing for standardized operating principles that limit the scope of services provided, and establishing guidelines for referrals to physicians and hospitals.

Mr. Scott stressed that Wal-Mart is not positioning the RediClinics as replacements for mainstream health care facilities. The future evolution of Wal-Mart's model centers on building partnerships between the store-based clinics and local hospitals.

"People trust their hospitals, especially their local hospitals," Mr. Scott said. With the right partnerships, the clinic in Aisle No. 3 can become an entry point to more comprehensive care.

If the RediClinics raised eyebrows among health care pundits, Mr. Scott's \$4

generic prescription move has them shaking their heads in disbelief. Wal-Mart is now offering shoppers the opportunity to obtain generic forms of many popular medications for \$4 per prescription.

"If you have cardiovascular disease, you will be able to get a regimen of drugs for between \$12 and \$16 per month as opposed to \$300 for the branded drugs," said Ron Winslow, a reporter for the Wall Street Journal who moderated the session at which Mr. Scott spoke. "This has significant implications for health care costs, for drug development, and for drug marketing."

"Response to this has been nothing short of spectacular. We've generated \$290 million in cost savings on drugs for our customers," said Mr. Scott. In the last year, "35% of all orders we fill are for \$4 prescriptions, and nearly 30% of these are filled without insurance."

Mr. Scott pulled no punches about Wal-Mart's intention to push generics.

"It's about pharmacists and doctors working in new ways. The pharmacists will work with the doctors to determine if generics might be better choices. And we educate consumers about the efficacy of generics. We post full price disclosures. We encourage them to talk to doctors and to learn about generics," he said.

If his belief in generic drugs is firm, his faith in information technology is nigh on evangelical.

Mr. Scott, who began his Wal-Mart career nearly 30 years ago in the trucking logistics department, cannot understand why the bar-code tracking systems and standardized consumer databases that revolutionized retail and manufacturing several decades ago have not become the norm in health care. "Wal-Mart can pinpoint a pallet of laundry detergent anywhere in our supply chain. I wish it were as easy for doctors to pull a patient's electronic files. They're still using manila folders!"

He seems baffled by the discrepancy between medicine's 21st-century therapeutic technology, and its early 20th-century paper-based information systems.

The criticism is fair enough, but unlike retailers, physicians and other health care givers have little to gain financially from updating their information systems, and unlike pallets of laundry detergent, human beings have concerns about what sorts of information are recorded about them, how that information is used, and by whom it might be seen.

From RediClinics and the \$4 prescriptions to the call for universal coverage and a shift away from employer-financed health care, nearly everything Mr. Scott has done thus far has attracted its share of ire. But the Wal-Mart CEO seems to have little time for critics.

"It is easier to sit on the sidelines and criticize what others are doing," he said. "Those who do so are either stuck in an old debate, or protecting their own parochial interests." ■

disorder **Central & peripheral nervous system:** Dizziness, Parkinsonism, Akathisia, Dystonia **Psychiatric:** Somnolence, Anxiety, Confusion **Respiratory system:** Rhinitis, Pharyngitis, Coughing **Body as a whole - general:** Asthenia **Urinary system:** Urinary incontinence **Heart rate and rhythm:** Tachycardia **Metabolic and nutritional:** Weight increase **Skin and appendages:** Rash. **Dose Dependency of Adverse Events:** Data from two fixed-dose trials provided evidence of dose-relatedness for extrapyramidal symptoms associated with risperidone treatment. These symptoms include: sleepiness, increased duration of sleep, accommodation disturbances, orthostatic dizziness, palpitations, weight gain, erectile dysfunction, ejaculatory dysfunction, orgasmic dysfunction, asthenia/lassitude/increased fatigability, and increased pigmentation. **Vital Sign Changes:** RISPERDAL® is associated with orthostatic hypotension and tachycardia (see PRECAUTIONS). **Weight Changes:** A statistically significantly greater incidence of weight gain for RISPERDAL® (18%) compared to placebo (9%). **Laboratory Changes:** A between-group comparison for 6- to 8-week placebo-controlled trials revealed no statistically significant RISPERDAL®/placebo differences in the proportions of patients experiencing potentially important changes in routine serum chemistry, hematology, or urinalysis parameters. Similarly, there were no RISPERDAL®/placebo differences in the incidence of discontinuations for changes in serum chemistry, hematology, or urinalysis. However, RISPERDAL® administration was associated with increases in serum prolactin (see PRECAUTIONS). **ECG Changes:** Between-group comparisons for pooled placebo-controlled trials revealed no statistically significant differences between risperidone and placebo in mean changes from baseline in ECG parameters, including QT, QTc, and PR intervals, and heart rate. When all RISPERDAL® doses were pooled from randomized controlled trials in several indications, there was a mean increase in heart rate of 1 beat per minute compared to no change for placebo patients. In short-term schizophrenia trials, higher doses of risperidone (8-16 mg/day) were associated with a higher mean increase in heart rate compared to placebo (4-6 beats per minute). **Adverse Events and Other Safety Measures in Pediatric Patients With Autistic Disorder:** In the two 8-week, placebo-controlled trials in pediatric patients treated for irritability associated with autistic disorder (n=156), two patients (one treated with RISPERDAL® and one treated with placebo) discontinued treatment due to an adverse event. **Incidence of Treatment-Emergent Adverse Events in Two 8-Week, Placebo-Controlled Trials in Pediatric Patients With Autistic Disorder.** **Body System Preferred Term: Psychiatric:** Somnolence, Appetite increased, Confusion **Gastrointestinal:** Saliva increased, Constipation, Dry mouth **Body as a whole - general:** Fatigue **Central & peripheral nervous system:** Tremor, Dystonia, Dizziness, Automatism, Dyskinesia, Parkinsonism **Respiratory:** Upper respiratory tract infection **Metabolic and nutritional:** Weight increase **Heart rate and rhythm:** Tachycardia **Other Events Observed During the Premarketing Evaluation of RISPERDAL®:** During its premarketing assessment, multiple doses of RISPERDAL® were administered to 2607 adult patients with schizophrenia and 1923 pediatric patients in Phase 2 and 3 studies and the following reactions were reported: (Note: frequent adverse events are those occurring in at least 1/100 patients; infrequent adverse events are those occurring in 1/100 to 1/1000 patients. It is important to emphasize that, although the events reported occurred during treatment with RISPERDAL®, they were not necessarily caused by it). Serious adverse reactions experienced by the pediatric population were similar to those seen in the adult population (see WARNINGS, PRECAUTIONS, and ADVERSE REACTIONS). **Psychiatric Disorders:** Frequent: increased dream activity*, diminished sexual desire*, nervousness. Infrequent: impaired concentration, depression, apathy, catatonic reaction, euphoria, increased libido, amnesia. **Rare:** emotional lability, nightmares, delirium, withdrawal syndrome, yawning. **Central and Peripheral Nervous System Disorders:** Frequent: increased sleep duration*. Infrequent: dysarthria, vertigo, stupor, paraesthesia, confusion. **Rare:** aphasia, cholinergic syndrome, hypoesthesia, tongue paralysis, leg cramps, torticollis, hypotonia, coma, migraine, hyperreflexia, choreoathetosis. **Gastrointestinal Disorders:** Frequent: anorexia, reduced salivation*. Infrequent: flatulence, diarrhea, increased appetite, stomatitis, melena, dysphagia, hemorrhoids, gastritis. **Rare:** fecal incontinence, eructation, gastroesophageal reflux, gastroenteritis, esophagitis, tongue discoloration, cholelithiasis, tongue edema, diverticulitis, gingivitis, discolored feces, GI hemorrhage, hematemesis. **Body as a Whole/General Disorders:** Frequent: fatigue. Infrequent: edema, rigors, malaise, influenza-like symptoms. **Rare:** pallor, enlarged abdomen, allergic reaction, ascites, sarcoidosis, flushing. **Respiratory System Disorders:** Infrequent: hyperventilation, bronchospasm, pneumonia, stridor. **Rare:** asthma, increased sputum, aspiration. **Skin and Appendage Disorders:** Frequent: increased pigmentation*, photosensitivity*. Infrequent: increased sweating, acne, decreased sweating, alopecia, hyperkeratosis, pruritus, skin exfoliation. **Rare:** bullous eruption, skin ulceration, aggravated psoriasis, furunculosis, verruca, dermatitis lichenoid, hypertrichosis, genital pruritus, urticaria. **Cardiovascular Disorders:** Infrequent: palpitation, hypertension, hypotension, AV block, myocardial infarction. **Rare:** ventricular tachycardia, angina pectoris, premature atrial contractions, T wave inversions, ventricular extrasystoles, ST depression, myocarditis. **Vision Disorders:** Infrequent: abnormal accommodation, xerophthalmia. **Rare:** diplopia, eye pain, blepharitis, photopsia, photophobia, abnormal lacrimation. **Metabolic and Nutritional Disorders:** Infrequent: hyponatremia, weight increase, creatine phosphokinase increase, thirst, weight decrease, diabetes mellitus. **Rare:** decreased serum iron, cachexia, dehydration, hypokalemia, hypoproteinemia, hyperphosphatemia, hypertriglyceridemia, hyperuricemia, hypoglycemia. **Urinary System Disorders:** Frequent: polyuria/polydipsia*. Infrequent: urinary incontinence, hematuria, dysuria. **Rare:** urinary retention, cystitis, renal insufficiency. **Musculo-Skeletal System Disorders:** Infrequent: myalgia. **Rare:** arthrosis, synostosis, bursitis, arthritis, skeletal pain. **Reproductive Disorders, Female:** Frequent: menorrhagia*, orgasmic dysfunction*, dry vagina*. Infrequent: nonpuerperal lactation, amenorrhea, female breast pain, leukorrhea, mastitis, dysmenorrhea, female perineal pain, intermenstrual bleeding, vaginal hemorrhage. **Liver and Biliary System Disorders:** Infrequent: increased SGOT, increased SGPT. **Rare:** hepatic failure, cholestatic hepatitis, cholecystitis, cholelithiasis, hepatitis, hepatocellular damage. **Platelet, Bleeding, and Clotting Disorders:** Infrequent: epistaxis, purpura. **Rare:** hemorrhage, superficial phlebitis, thrombophlebitis, thrombocytopenia. **Hearing and Vestibular Disorders:** Rare: tinnitus, hyperacusis, decreased hearing. **Red Blood Cell Disorders:** Infrequent: anemia, hypochromic anemia. **Rare:** normocytic anemia. **Reproductive Disorders, Male:** Frequent: erectile dysfunction*. Infrequent: ejaculation failure. **White Cell and Resistance Disorders:** Infrequent: granulocytopenia. **Rare:** leukocytosis, lymphadenopathy, leucopenia, Pelger-Huet anomaly. **Endocrine Disorders:** Rare: gynecomastia, male breast pain, antidiuretic hormone disorder. **Special Senses:** Rare: bitter taste. *Incidence based on elicited reports. **Postintroduction Reports:** Adverse events reported since market introduction which were temporally (but not necessarily causally) related to RISPERDAL® therapy include the following: anaphylactic reaction, angioedema, apnea, atrial fibrillation, cerebrovascular disorder, including cerebrovascular accident, diabetes mellitus aggravated, including diabetic ketoacidosis, hyperglycemia, intestinal obstruction, jaundice, mania, pancreatitis, Parkinson's disease aggravated, pituitary adenomas, pulmonary embolism, precocious puberty, and QT prolongation. There have been rare reports of sudden death and/or cardiopulmonary arrest in patients receiving RISPERDAL®. A causal relationship with RISPERDAL® has not been established. It is important to note that sudden and unexpected death may occur in psychotic patients whether they remain untreated or whether they are treated with other antipsychotic drugs.

DRUG ABUSE AND DEPENDENCE

Controlled Substance Class: RISPERDAL® (risperidone) is not a controlled substance.

For more information on symptoms and treatment of overdose, see full Prescribing Information.

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