

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 positive 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.

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," Mr. Scott said.

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.



RediClinics, which are housed inside Wal-Mart stores, are typically staffed by nurse-practitioners who have physician and hospital backup.

For those families that have health insurance and their own physicians, it's still pretty hard to argue with the store-based clinic's convenience.

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. No doubt, this has traction with consumers.

"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," Mr. Scott said. 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, is like many corporate leaders in nonmedical industries, who 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 applies technology very intensively. We can track stuff all over the world. This lowers cost and streamlines operations, improves the quality of life for employers and customers. 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." ■

LEXAPRO® (escitalopram oxalate) TABLETS/ORAL SOLUTION

(3% and <1%); Anorgasmia (2% and <1%). *Events reported by at least 2% of patients treated with Lexapro are reported, except for the following events which had an incidence on placebo B Lexapro: headache, upper respiratory tract infection, back pain, pharyngitis, inflicted injury, anxiety. †Primarily ejaculatory delay. ‡Denominator used was for males only (N=225 Lexapro; N=188 placebo). §Denominator used was for females only (N=490 Lexapro; N=404 placebo). Generalized Anxiety Disorder Table 3 enumerates the incidence, rounded to the nearest percent of treatment-emergent adverse events that occurred among 429 GAD patients who received Lexapro 10 to 20 mg/day in placebo-controlled trials. Events included are those occurring in 2% or more of patients treated with Lexapro and for which the incidence in patients treated with Lexapro was greater than the incidence in placebo-treated patients. The most commonly observed adverse events in Lexapro patients (incidence of approximately 5% or greater and approximately twice the incidence in placebo patients) were nausea, ejaculation disorder (primarily ejaculatory delay), insomnia, fatigue, decreased libido, and anorgasmia (see TABLE 3). TABLE 3. Treatment-Emergent Adverse Events: Incidence in Placebo-Controlled Clinical Trials for Generalized Anxiety Disorder* (Lexapro (N=429) and Placebo (N=427)).

Autonomic Nervous System Disorders: Dry Mouth (3% and 5%); Sweating Increased (4% and 1%). **Central & Peripheral Nervous System Disorders:** Headache (24% and 17%); Paresthesia (2% and 1%). **Gastrointestinal Disorders:** Nausea (18% and 8%); Diarrhea (8% and 6%); Constipation (5% and 4%); Indigestion (3% and 2%); Vomiting (3% and 1%); Abdominal Pain (2% and 1%); Flatulence (2% and 1%); Toothache (2% and 0%). **General:** Fatigue (8% and 2%); Influenza-like symptoms (5% and 4%). **Musculoskeletal:** Neck/Shoulder Pain (3% and 1%). **Psychiatric Disorders:** Somnolence (13% and 7%); Insomnia (12% and 6%); Libido Decreased (7% and 2%); Dreaming Abnormal (3% and 2%); Appetite Decreased (3% and 1%); Lethargy (3% and 1%); Yawning (2% and 1%). **Urogenital:** Ejaculation Disorder[†] (14% and 2%); Anorgasmia[‡] (6% and <1%); Menstrual Disorder (2% and 1%). *Events reported by at least 2% of patients treated with Lexapro are reported, except for the following events which had an incidence on placebo B Lexapro: inflicted injury, dizziness, back pain, upper respiratory tract infection, rhinitis, pharyngitis. †Primarily ejaculatory delay. ‡Denominator used was for males only (N=182 Lexapro; N=195 placebo). §Denominator used was for females only (N=247 Lexapro; N=232 placebo). **Dose Dependency of Adverse Events:** The potential dose dependency of common adverse events (defined as an incidence rate of 85% in either the 10 mg or 20 mg Lexapro groups) was examined on the basis of the combined incidence of adverse events in two fixed-dose trials. The overall incidence rates of adverse events in 10 mg Lexapro-treated patients (66%) was similar to that of the placebo-treated patients (61%), while the incidence rate in 20 mg/day Lexapro-treated patients was greater (86%). Table 4 shows common adverse events that occurred in the 20 mg/day Lexapro group with an incidence that was approximately twice that of the 10 mg/day Lexapro group and approximately twice that of the placebo group. TABLE 4. Incidence of Common Adverse Events* in Patients with Major Depressive Disorder Receiving Placebo (N=311), 10 mg/day Lexapro (N=310), 20 mg/day Lexapro (N=125). **Insomnia** (4%, 7%, 14%); **Diarrhea** (5%, 6%, 14%); **Dry Mouth** (3%, 4%, 9%); **Somnolence** (1%, 4%, 9%); **Dizziness** (2%, 4%, 7%); **Sweating increased** (<1%, 3%, 8%); **Constipation** (1%, 3%, 6%); **Fatigue** (2%, 2%, 6%); **Indigestion** (1%, 2%, 6%). *Adverse events with an incidence rate of at least 5% in either the Lexapro groups and with an incidence rate in the 20 mg/day Lexapro group that was approximately twice that of the 10 mg/day Lexapro group and the placebo group. **Male and Female Sexual Dysfunction with SSRIs:** Although changes in sexual desire, sexual performance, and sexual satisfaction often occur as manifestations of a psychiatric disorder, they may also be a consequence of pharmacologic treatment. In particular, some evidence suggests that SSRIs can cause such untoward sexual experiences. Reliable estimates of the incidence and severity of untoward experiences involving sexual desire, performance, and satisfaction are difficult to obtain, however, in part because patients and physicians may be reluctant to discuss them. Accordingly, estimates of the incidence of untoward sexual experience and performance cited in product labeling are likely to underestimate their actual incidence. Table 5 shows the incidence rates of sexual side effects in patients with major depressive disorder and GAD in placebo-controlled trials. TABLE 5. Incidence of Sexual Side Effects in Placebo-Controlled Clinical Trials (In Males Only: Lexapro (N=407) and Placebo (N=383); Ejaculation Disorder (primarily ejaculatory delay) (12% and 1%); Libido Decreased (6% and 2%); Impotence (2% and <1%). (In Females Only: Lexapro (N=237) and Placebo (N=636)): Libido Decreased (3% and 1%); Anorgasmia (3% and <1%). There are no adequately designed studies examining sexual dysfunction with escitalopram treatment. Priligis has been reported with all SSRIs. While it is difficult to know the precise risk of sexual dysfunction associated with the use of SSRIs, physicians should routinely inquire about such possible side effects. **Vital Sign Changes:** Lexapro and placebo groups were compared with respect to (1) mean change from baseline in vital signs (pulse, systolic blood pressure, and diastolic blood pressure) and (2) the incidence of patients meeting criteria for potentially clinically significant changes from baseline in these variables. These analyses did not reveal any clinically important changes in vital signs associated with Lexapro treatment. In addition, a comparison of supine and standing vital sign measures in subjects receiving Lexapro indicated that Lexapro treatment is not associated with orthostatic changes. **Weight Changes:** Patients treated with Lexapro in controlled trials did not differ from placebo-treated patients with regard to clinically important change in body weight. **Laboratory Changes:** Lexapro and placebo groups were compared with respect to (1) mean change from baseline in various serum chemistry, hematology, and urinalysis variables, and (2) the incidence of patients meeting criteria for potentially clinically significant changes from baseline in these variables. These analyses revealed no clinically important changes in laboratory test parameters associated with Lexapro treatment. **ECG Changes:** Electrocardiograms from Lexapro (N=625), racemic citalopram (N=351), and placebo (N=527) groups were compared with respect to (1) mean change from baseline in various ECG parameters and (2) the incidence of patients meeting criteria for potentially clinically significant changes from baseline in these variables. These analyses revealed (1) a decrease in heart rate of 2.2 bpm for Lexapro and 2.7 bpm for racemic citalopram, compared to an increase of 0.3 bpm for placebo; and (2) an increase in QTc interval of 3.9 msec for Lexapro and 3.7 msec for racemic citalopram, compared to 0.5 msec for placebo. Neither Lexapro nor racemic citalopram were associated with the development of clinically significant ECG abnormalities. **Other Events Observed During the Premarketing Evaluation of Lexapro:** Following is a list of WHO terms that reflect treatment-emergent adverse events, as defined in the introduction to the ADVERSE REACTIONS section, reported by the 1428 patients treated with Lexapro for periods of up to one year in double-blind or open-label clinical trials during its premarketing evaluation. All reported events are included except those already listed in Tables 2 & 3. Those occurring in only one patient, event terms that are so general as to be uninformative, and those that are unlikely to be drug related. It is important to emphasize that, although the events reported occurred during treatment with Lexapro, they were not necessarily caused by it. Events are further categorized by body system and listed in order of decreasing frequency according to the following definitions: frequent adverse events are those occurring on one or more occasions in at least 1/100 patients; infrequent adverse events are those occurring in less than 1/100 patients but at least 1/1,000 patients. **Cardiovascular -** Frequent: palpitation, hypertension. **Infrequent:** bradycardia, tachycardia, ECG abnormal, flushing, varicose vein. **Central and Peripheral Nervous System Disorders -** Frequent: light-headed feeling, migraine. **Infrequent:** tremor, vertigo, restless legs, shaking, twitching, dysequilibrium, tics, carpal tunnel syndrome, muscle contractions involuntary, sluggishness, coordination abnormal, faintness, hyperreflexia, muscular tone increased. **Gastrointestinal Disorders -** Frequent: heartburn, abdominal cramp, gastroenteritis. **Infrequent:** gastroesophageal reflux, bloating, abdominal discomfort, dyspepsia, increased stool frequency, belching, gastritis, hemorrhoids, gagging, polyposis gastric, swallowing difficult. **General -** Frequent: allergy, pain in limb, fever, hot flushes, chest pain. **Infrequent:** edema of extremities, chills, tightness of chest, leg pain, asthenia, syncope, malaise, anaphylaxis, fall. **Hemic and Lymphatic Disorders -** Infrequent: bruise, anemia, nosebleed, hematoma, lymphadenopathy cervical. **Metabolic and Nutritional Disorders -** Frequent: increased weight. **Infrequent:** decreased weight, hyperglycemia, thirst, bilirubin increased, hepatic enzymes increased, gout, hypercholesterolemia. **Musculoskeletal System Disorders -** Frequent: arthralgia, myalgia. **Infrequent:** jaw stiffness, muscle cramp, muscle stiffness, arthritis, muscle weakness, back discomfort, arthropathy, jaw pain, joint stiffness. **Psychiatric Disorders -** Frequent: appetite increased, lethargy, irritability, concentration impaired. **Infrequent:** jitteriness, panic reaction, agitation, apathy, forgetfulness, depression aggravated, nervousness, restlessness aggravated, suicide attempt, amnesia, anxiety attack, bruising, carbohydrate craving, confusion, depersonalization, disorientation, emotional lability, feeling unreal, tremulousness nervous, crying abnormal, depression, excitability, auditory hallucination, suicidal tendency. **Reproductive Disorders/Female -** Frequent: menstrual cramps, menstrual disorder. **Infrequent:** menorrhagia, breast neoplasm, pelvic inflammation, premenstrual syndrome, spotting between menses. *% based on female subjects only. **H-905 Respiratory System Disorders -** Frequent: bronchitis, sinus congestion, coughing, nasal congestion, sinus headache. **Infrequent:** asthma, breath shortness, laryngitis, pneumonia, tracheitis. **Skin and Appendages Disorders -** Frequent: rash. **Infrequent:** pruritus, acne, alopecia, eczema, dermatitis, dry skin, folliculitis, lipoma, furunculosis, dry lips, skin nodules. **Special Senses -** Frequent: vision blurred, linitis. **Infrequent:** taste alteration, sarcoma, conjunctivitis, vision abnormal, dry eyes, eye irritation, visual disturbance, eye infection, pupils dilated, metallic taste. **Urinary System Disorders -** Frequent: urinary frequency, urinary tract infection. **Infrequent:** urinary urgency, kidney stone, dysuria, blood in urine. **Events Reported Subsequent to the Marketing of Escitalopram -** Although no causal relationship to escitalopram treatment has been found, the following adverse events have been reported to have occurred in patients and to be temporally associated with escitalopram treatment during post marketing experience and were not observed during the premarketing evaluation of escitalopram: abnormal gait, acute renal failure, aggression, akathisia, allergic reaction, anger, angioedema, atrial fibrillation, chorea, chorea-thetosis, delirium, delusion, diplopia, dysarthria, dyskinesia, dystonia, echymosis, erythema multiforme, extrapyramidal disorders, fulminant hepatitis, hepatic failure, hypoaesthesia, hypoglycemia, hypokalemia, INR increased, gastrointestinal hemorrhage, glaucoma, grand mal seizures (or convulsions), hemolytic anemia, hepatic necrosis, hepatitis, hypotension, leucopenia, myocardial infarction, myoclonus, neuroleptic malignant syndrome, nightmare, nystagmus, orthostatic hypotension, pancreatitis, paranoia, photosensitivity reaction, priapism, prolactinemia, prothrombin decreased, pulmonary embolism, QT prolongation, rhabdomyolysis, seizures, serotonin syndrome, SIADH, spontaneous abortion, Stevens Johnson Syndrome, tardive dyskinesia, thrombocytopenia, thrombosis, torsade de pointes, toxic epidermal necrolysis, ventricular arrhythmia, ventricular tachycardia and visual hallucinations.