Delivering Greater Access to Affordable Healthcare
Company History

- Founded in 2000
  - Douglas Smith, M.D., Steve Pontius and Kevin Smith, RN, FNP had founded QuickMedx (the retail health care centers that became MinuteClinic)

- First health care centers opened in Minneapolis-St. Paul area Cub Foods grocery stores in May 2000

- With the addition of insurance coverage and a few other improvements, QuickMedx became MinuteClinic in December 2002

- Acquired by CVS/pharmacy in September 2006

- Hosts have included Cub Foods, QFC, malls, corporate and government offices, and CVS/pharmacy stores
Currently operating 518 Clinics in 25 States

★ Denotes market presence
Retail Clinics have grabbed the attention of Consumers and the National Media

MinuteClinic has been featured as a “disruptive innovation” in the delivery of health care, 1,000+ times on national networks and in leading print media during the last 24 months
In good company

MinuteClinic was recently featured by Forbes Magazine in the list of the *Top 10 Innovators* of the last decade

Blackberry
Google
Netflix
**MinuteClinic**
iPod
Roomba
Skype
Heartstart
YouTube
Nintendo’s Wii
Strategic Vision

To integrate simple, high-quality healthcare solutions into consumers’ lifestyles.

- We are dedicated to providing high-quality, professional and affordable care for uncomplicated family health care needs.

- We provide care that enables integration around a medical home.

- We align ourselves around schedules that are “lifestyle conscious” in convenient locations, where customers live, work and play.

- We provide patients, employers and payers an efficient and cost-effective health care delivery that complements to traditional health care services.

- We utilize electronic medical records that are available universally to health care providers and patients.
Right-Sized Engineered

- Focused range of services
- Exam room designed to provide all services
- Most services take 15 minutes
- Prices clearly posted
- Treated in order of arrival
- Limited capital-intensive equipment; only specific diagnostic supplies

ERs, Urgent Care and Medical Offices

- Broad services/access to Specialists
- Specialty treatment and diagnostic rooms required
- Varied service times
- Complex pricing
- Congested schedule/triage
- Over engineered for simple services as a result of the requirement for capital-intensive diagnostic equipment and specialty capability
Scope of Services

Treatments and Services

Common Illnesses
- Allergies (ages 6+)
- Bladder Infections (female, ages 12–65)
- Bronchitis (ages 10–65)
- Ear Infections
- Pink Eye and Styes
- Sinus Infections (ages 5+)
- Strep Throat
- Swimmer’s Ear

Common Illnesses

Vaccines
- DTaP, Td, Tdap (Diphtheria, Tetanus, Pertussis)
- Flu (seasonal)
- Hepatitis A & B
- Meningitis
- MMR (Measles, Mumps, Rubella)
- Pneumonia
- Polio (IPV)

Additional Services
- Ear Wax Removal
- Flu Diagnosis (ages 10–65)
- Mononucleosis
- Pregnancy Testing

Skin Conditions
- Athlete’s Foot
- Cold Sores
- Deer Tick Bites (ages 12+)
- Impetigo
- Minor Burns
- Minor Skin Infections & Rashes
- Minor Sunburn
- Poison Ivy (ages 3+)
- Ringworm
- Shingles Treatment
- Wart Removal (ages 5+)

Wellness & Prevention*
- Camp Physicals
- Cholesterol Screening
- Comprehensive Health Screening
- Diabetes Screening
- Hypertension Screening
- Obesity Screening

* Select areas only.
The following six components comprise the health care model:

- Focused on a narrow range of uncomplicated family healthcare needs
- In-network with most major insurers and utilizes electronic billing
- Electronic medical record leverages proprietary software to guide evidence-based diagnosis and treatment
- Patient record sent to Primary Care Provider via electronic transmission with patient permission
- Staffed by board-certified Family Nurse Practitioners and Physician Assistants, who evaluate, diagnose, recommend treatment and provide patient education
- Local board-certified, practicing Physicians serve as Medical Directors in every market

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High Quality Care – Highly Training Practitioners

Every MinuteClinic practitioner is licensed and board-certified:

- Credentialing – NCQA Guidelines

- Extensive internal training
  - Two-week training prior to working within a clinic
  - Curriculum is divided into the following components:
    - Professional skills
    - Operations skills
    - Clinical skills

- Practitioner competency is verified at the conclusion of each training session

- Each practitioner completes re-certification of each module annually
High Quality Care – Guidelines and Accreditation

MinuteClinic adheres to national standards of practice, as established by:

- Institute for Clinical Systems Improvement (ICSI) regional guidelines
- American Academy of Pediatrics (AAP) Red Book
- American Academy of Family Physicians (AAFP)

- MinuteClinic also adheres to:
  - AAFP and AMA Desired Attributes for Retail Health Clinics
  - NCQA Guidelines for Credentialing

- In addition, MinuteClinic is the first and only retail health care provider to be Joint Commission accredited (as of August, 2006)
High Quality Care – Proprietary Software

Electronic Medical Record (EMR) system results in improved effectiveness and efficiency

- Continuity of Care Record (CCR) allows for electronic exchange of basic patient history
- Designed to provide national best practices and clinical guidelines
- Formulary management with generic drug default
- “Circuit Breakers” built in to assure proper triage when condition is beyond scope practice
- System provides every patient with:
  - Diagnostic record
  - Educational material
  - Patient bill, Prescription at end of visit (when clinically appropriate)
  - Toll Free call-in center for after hours questions or transfer to practitioner for follow-up
- No paper charts are maintained – everything is electronic
- Privacy assured through centralized storage
High Quality Care – Guideline Compliance Study

MinuteClinic initiated, peer reviewed study:

- September 2005 through September 2006
- 57,000+ evaluations of acute pharyngitis
- Outcome measures include
  - Adherence to best practice treatment guideline in presence of neg or pos RST
  - Use of back up confirmatory strep culture testing in presence of neg RST
  - Documented rationale when antibiotic was prescribed in presence of neg RST

Results:

- Overall adherence rate of 99.15%
Drivers of Retail Clinic Effectiveness

The full patient value of the retail delivery model is grounded in collaboration with the medical community

Being a good citizen in the medical community comes with responsibilities

- Demonstrate the highest quality standards of care
  - Deliver according to national best practices and treatment protocols
  - Joint Commission accreditation

- Improve continuity of care through data sharing

- Facilitate ‘medical homes’ through an open referral system
  - Strategic alliances with existing providers

- Improve public health in the community
  - Medicaid and other community based ‘safety net’ programs
  - Preventative medicine programs
MinuteClinic Delivers High Patient Satisfaction

- Internal Satisfaction Survey has been validated by independent external research study conducted by Market Strategies (4/07)

- MinuteClinic User: Satisfaction 97%**

- MinuteClinic User: Likelihood to Recommend: 97%**

* MinuteClinic Patient Satisfaction Study, 9/07.
**Market Strategies, "Retail Clinics: National Study of User and Non-User Attitudes, Preferences and Behaviors", 4/07.
Studies Confirm Savings

Various studies prove the cost-effective nature of the model

- In a study conducted by Mercer on behalf of Black & Decker using 2005 data:
  - MinuteClinic visits show a 30% to greater than 50% savings over the same type of office visit at a primary care clinic.

- Blue Cross Blue Shield of Minnesota analyzed visits to MinuteClinic from June 2004 to June 2005 and found:
  - MinuteClinic visits cost about half of an office visit.

- A Minnesota-specific Reden and Anders Study from January 2005 to March 2006 indicates:
  - Episodic savings of 30% or greater.
Studies Confirm No Over-Utilization Concern

Studies prove there is little to no impact on utilization

- 2005 study conducted by Mercer using Black & Decker data:
  - Only 8 per 1,000 patients recorded a visit to their primary care provider within 10 days of a MC visit

- 2005 HealthPartners study looking at utilization before and after adding MinuteClinic to network:
  - 336 members per month episodes (strep, sinus, ear, eye, urinary) prior to MinuteClinic added
  - 313 members per month episodes after MinuteClinic added
Legal Challenges for Retail Clinics

- **Scope of Service**

- **Scope of Practice**
  - Staffing
  - Physician supervision requirements vary by state
  - Nurse Practitioner practice barriers
  - Third-party reimbursement

- **Structural Issues**
  - Corporate Practice of Medicine and Fee Splitting
  - Facility and Lab Licensing
Legal Challenges for Retail Clinics

- Anti-kickback and Self-Referral Prohibitions
- Advertising Regulations
- AMA, Medical Society and Board Guideline and/or Rule Promulgation
- Licensing
- Privacy
- Payor relationships
State Specific Issues/Policy Decisions
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