



Provider+ Web Conference Series

Health Market 2.0: Provider + Retailers – The New Front Door to Health

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Welcome

- **Today's Speakers:**
 - » Tom Beauregard, UnitedHealth Group
 - » Alexis Finkelberg Bortniker, Foley & Lardner LLP
 - » Stephen Lockhart, Sutter Health
 - » Alex Hurd, Walmart
- **Moderator:**
 - » Sam Glick, Oliver Wyman

#ProviderPlus

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Walmart Health & Wellness Vision

Become #1 Retail Provider of Affordable Healthcare

140M visits/week



➤ #1 provider of OTC products in U.S.



➤ 2,700+ Vision Centers
➤ 300+ Hearing Centers



➤ Pioneered \$4 Generic Rx
➤ ~5,000 Pharmacies

Expanding our health capabilities into new areas like Primary Care Clinics and Health Insurance Distribution ("Healthcare Begins Here")



Sutter Health



Broad Reach

Largest contiguous not-for-profit health system in the US



Diverse Patients

100+ languages
Serving some of the richest and poorest areas in the nation



National Health Impact

1 in 100 Americans receives care at Sutter



Economic Contributor

Among the largest US employers



Community impact

\$3M of charity care provided every week

Retail and Virtual Care Partnerships

Retail: CVS

- Sutter physicians began providing clinic oversight to the 14 Northern California MinuteClinics this summer
- Implementing Epic EHR integration by Q4
 - CVS will securely share prescription and MinuteClinic visit information to Sutter Health providers with patient approval
 - CVS will access information needed for the visit from Sutter record
 - CVS will also share data on interventions conducted by CVS pharmacists via Sutter EHR
- Sutter Health and MinuteClinic practitioners will also work together on planning strategies around chronic care, wellness and patient care coordination



Virtual: MDLIVE

- SutterSelect (self insured health plan) began offering MDLIVE benefit in Jan 2015
 - 450 consults in first 6 months of benefit
- 15 Sutter physicians accepting MDL visits (with more in credentialing process)
- MDLIVE integrated with Epic EHR
 - Continuity of care document is sent to patient record after MDLIVE visit
- 40% of MDLIVE callers do not have a PCP
 - Implementing process to help connect patients with a PCP near them



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UnitedHealth Group Retail Care Sample Efforts

- Local Care Models
 - Optum Clinics and Urgent Care Centers
 - AppleCare Medical Group
 - Optum Medical Group
 - Monarch HealthCare
 - Southwest Medical Associates
 - WellMed
- Consumer Solutions
 - Good Sleep
 - Real Appeal
 - HealthAllies
 - Hi Health Innovations
 - Optum Bank
- Emerging Group Models
 - Diabetes Prevention Program
 - Expect With Me
 - Join for Me

UNITEDHEALTH GROUP

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Opportunities and Pitfalls of the Retail Health Care Landscape

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The State of the Market

- **Retail Clinics***
 - » Retail Clinics on January 1, 2015: 1,868
 - » Retail Clinics on January 1, 2014: 1,603
- **Urgent Care Centers****
 - » The number of Urgent Care Centers grew 4.4% in the first half of the year to 1,562 from 1,496 among independent operators with five or more centers
- **Expansion of Telehealth**
- **Increased spending on executive health**
- **Growth of personalized medicine, and increase of “health apps”**

*Merchant Medicine, LLC; available at <http://www.merchantmedicine.com/CMSModules/Newsletters/CMSPages/GetNewsletterIssue.aspx?issueGuid=2d34dfb2-6bd3-4dea-a9d0-cd92ed271b55>

** “Investors Taking Note of Urgent Care Center Boom,” B. Japsen, Forbes, July 22, 2015, available at <http://www.forbes.com/sites/brucejapsen/2015/07/22/urgent-care-centers-grow-with-unitedhealth-blue-cross-stakes>.

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Why Retail Health? Consumer

- **Convenience**
 - » Increased accessibility
 - » Around the clock access to care
 - » Lower wait times
 - » Everything in one place
- **Lower cost alternative**
 - » Transparent pricing
 - » Lower cost care
- **Better visibility and market presence**

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Why Retail Health? Industry

- **Achieving the triple aim**
 - » Improved patient care
 - » Population health management
 - » Reduced Cost
- **Understanding the role of non-clinical factors**
- **Increased market presence**
- **Movement to capture patients and/or business that is otherwise leaving**
- **Foot traffic**
- **Not without opposition**

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Legal Issues/Considerations

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- **Licensure and Certification**
 - » **Varies from State to State**
 - MA created a separate regulatory category to license limited service clinics, allowing only specified services to be provided
 - FL requires licensure just as it does for other clinics in the state
 - CA does not require licensure

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Legal Issues/Considerations: Corporate Practice Restrictions

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- **Can professional services be provided by individuals employed by corporations?**
 - » State by state analysis
 - » In many states, the doctrine of corporate practice of medicine/profession takes root from the corporate employment of optometrists in retailers in the early 1900s
 - » Are NPs and PAs included in the restrictions?
 - » Certain states are loosening restrictions to allow flexibility for retail clinics
 - Texas
 - New Jersey
 - » Fee Splitting prohibitions

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Legal Issues/Considerations: Scope of Practice Restrictions 13

- **Clinics rely heavily on advanced practice clinicians**
- **States vary in the oversight requirements for APCs**
 - » Some states have loosened restrictions specifically for retail clinics (IL, NJ)
 - » Required partnerships with physicians
- **New role of the pharmacist**

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Legal Issues/Considerations: Fraud and Abuse Laws 14

- **Anti-Kickback Statute**
 - » The Anti-Kickback statute (the “Anti-Kickback Statute”) prohibits anyone from offering, paying, soliciting or receiving any remuneration in exchange for the referral of Medicare or Medicaid business.
 - » Criminal Statute
 - » Need to analyze relationships with providers, relationships with lessor, and access to services (pharmacy, etc.)
- **Stark Law**
 - » May not be applicable unless DHS is provided
- **State Fraud and Abuse Laws**
 - » Expanded applicability

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Legal Issues/Considerations: Other

- **Credentialing and Certification and third party payor participation**
 - » Can you get paid for the services provided
- **Privacy/security/access**
- **Marketing issues**
- **Liability**

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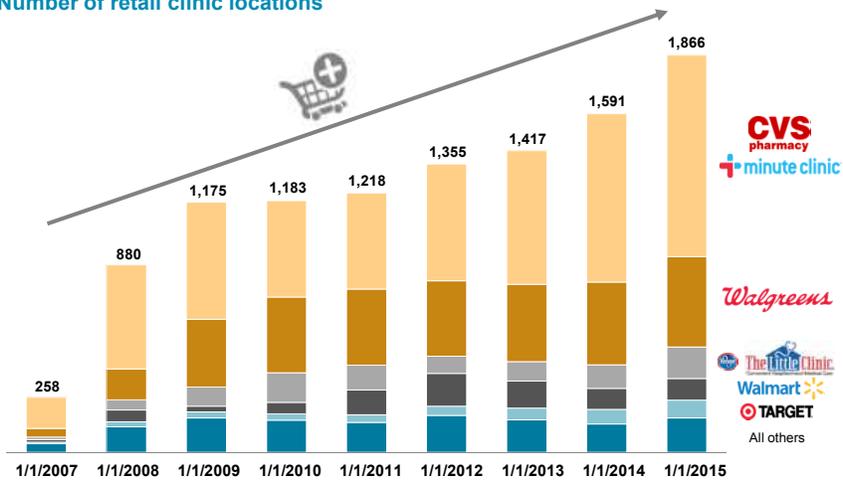
Future Success

- **Chronic health management and moving beyond a population health in order to successfully reduce health care spending**
- **Information accessibility and sharing**
- **Telehealth accessibility**
- **Employee health**
- **Payor partnerships**

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What's the trajectory for retail clinics?

Number of retail clinic locations



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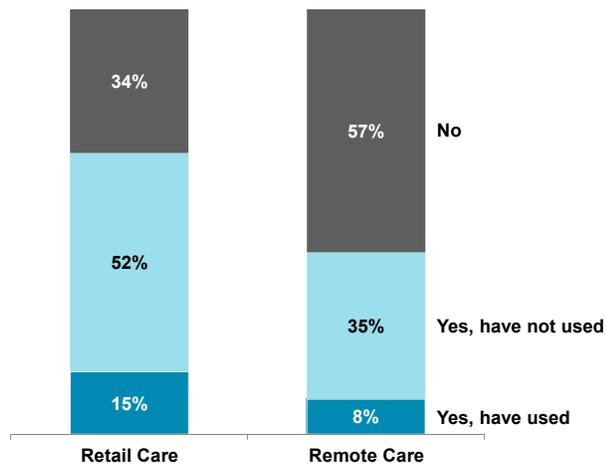
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How do we engage consumers?

Are you familiar with the concept of...

A health and wellness clinic within a retail store?

A health and wellness visit conducted remotely via phone, voice chat, or video chat?



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What about physician opposition?



The AAP Advises Parents Against Using Retail-Based Clinics

2/24/2014 For Release: February 24, 2014

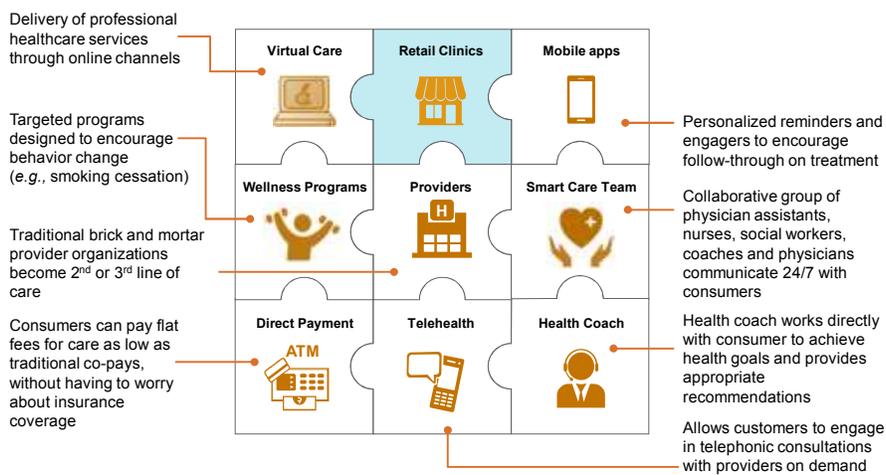


"The AAFP opposes the expansion of the scope of services of retail clinics beyond minor acute illnesses and, in particular, opposes the management of chronic medical conditions in this setting."

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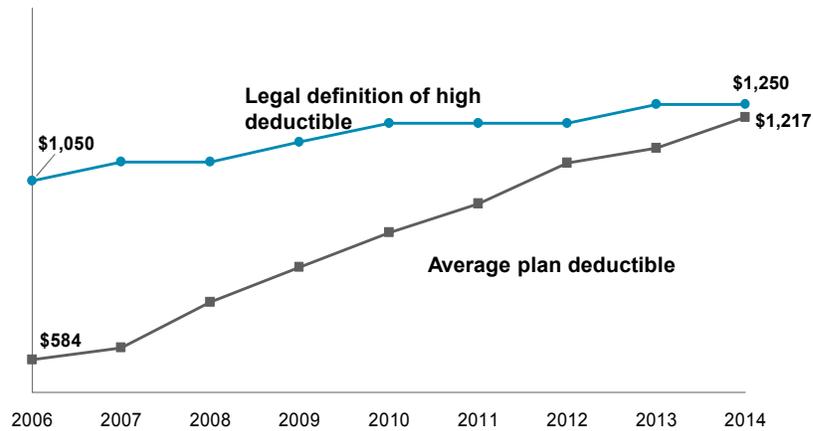
How does retail fit into the full consumer puzzle?



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What will consumer cost-shifting do?



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Thank You

- The panel will now answer questions submitted by the audience.
- Our next web conference in this series will be held in the fall – invites will be distributed via email in the next few weeks.
- Thank you for attending today's presentation.

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11/11/15