



The Future of Healthcare and Pharmacy at Walgreens

(Source: An article by Sandra Levy for Drug Store News and an article by Noah Tong for FierceBiotech)

The first Village Medical at Walgreens co-location in Elk Grove Village, Ill., and its newest micro-fulfillment center in Bolingbrook, Ill., were on full display at a private press briefing, which included discussions about the future of health care and pharmacy by Walgreens' top executives, including John Driscoll, executive vice president and president, U.S. Healthcare, Walgreens Boots Alliance; Dr. Clive Fields, co-founder and chief medical officer of VillageMD; Scott Malone, vice president of pharmacy engagement experience, Walgreens; Rina Shah, senior vice president of pharmacy of the future and transformation for Walgreens; and, Adam Chesler, senior vice president of pharmacy for VillageMD.

At the heart of Walgreens' plan is the creation of an environment where pharmacists and medical professionals can best support their communities, leading to better patient outcomes at a lower cost.

During the briefing, John Driscoll shared details on the vision and strategy for the U.S. Healthcare business and how Walgreens is increasing access, equity and positive outcomes for patients and local communities.

Dr. Fields added insight into how VillageMD is creating an ecosystem that optimizes efficiency and collaboration of care teams to address access and health equity and improve patient outcomes. Also, Rina Shah shared the vision for the future of pharmacy and providing a glimpse into how Walgreens continues to support the evolving pharmacist's role.

Scott Malone, vice president of pharmacy engagement experience at Walgreens, showcased the cutting-edge automation that efficiently fills thousands of prescriptions every day and quickly gets them to Walgreens' pharmacies.

Afterwards, Driscoll opened the discussion, expressing his enthusiasm about what Walgreens is doing in health care and noted the retailer's many assets.

"We're starting to see really good proof points around the promise of leveraging Walgreens' traditional assets to help create a system that provides more access, more personalized care and delivers better outcomes at a lower cost." Driscoll said, citing VillageMD as an example. Driscoll said that in addition to Walgreens' expansion into health care with Village, the retailer has additional assets, including Shields Specialty Pharmacy, CareCentrix and Pearl Health.

Emphasizing that health care is difficult for patients, Driscoll went on to elaborate that Walgreens' approach to health care is not just focusing on assets, partnerships and businesses for better outcomes at lower costs, but from a consumer perspective, making it easier for patients and families to get the care they need.

Clive Fields took the discussion one step further, describing

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In Brief...

♦ **Walgreens Boots Alliance (WBA)** has selected veteran health care executive *Tim Wentworth* as the company's new chief executive, replacing recently departed *Rosalind Brewer*. Wentworth is the former CEO of **Express Scripts**, the largest pharmacy benefits management company in the U.S., which was acquired by **Cigna** in 2018. He continued as chief executive of Cigna before retiring in 2021. Walgreens' executive chairman *Stefano Pessina* said Wentworth "is an accomplished and respected leader with profound expertise in the payer and pharmacy space as well as supply chain, IT and Human Resources. We are confident he is the right person to lead WBA's next phase of growth into a customer-centric healthcare company."

♦ Following the devastation from last summer's tornado, **Pfizer's** injectables plant in Rocky Mount, North Carolina, USA has resumed operations. The company expects that there will be shortfalls for some drugs produced at the plant into 2024. The company has also launched an additional line in the site's new sterile injectable manufacturing area. The "expedited restart" comes ahead of Pfizer's previously stated timeline of the fourth quarter of 2023.

♦ **Viatis** is shedding its over the counter, women's healthcare and active pharmaceutical ingredient business. It will sell its OTC business to **Cooper Consumer Health**, plus manufacturing sites in France and Italy and an R&D site in Italy, netting US\$2.17 billion. The deal does not include popular erectile dysfunction medication *Viagra* or the nasal

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Clinical Trials Still Fall Short When It Comes to Including The Elderly

(Source: An article by Kelly Bilodeau for PharmaVoice)

Despite the fact that statistically people aged 65 and older have the highest rate of chronic disease among any age group (nearly 95% have at least one chronic disease and approximately 80% have two or more) clinical trial enrollment remains low.

In the mid-1990s, fewer than 25% of participants in oncology trials were older adults, even though they made up roughly 67% of new cancer diagnoses and 75% of deaths. Participation in oncology trials among this group now hovers around 30% according to industry experts.

That is slowly changing due to a push by the U.S. Food and Drug Administration to boost diversity in trials. The agency issued several guidance documents in recent years aimed at enrolling more adults over age 65, in addition to other underrepresented groups.

There is great interest in developing drugs for conditions that disproportionately affect older adults, and nearly 450 of these

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Future of Walgreens (cont.)...

the essence of the co-located Walgreens Village Medical as one that is not an acute care model but "a place where patients can receive comprehensive primary care that starts in this location and extends out of this location."

Fields also emphasized that people talked about the underinvestment and devaluation of primary care for a long time, noting that VillageMD believes these locations are some of the most thoughtfully designed and accessible locations in the country that meet the needs of the communities where they are located.

Fields shared that while there are over 200 clinics that VillageMD has in partnership with Walgreens, in 2019, this category of healthcare delivery didn't exist.

What is the future of VillageMD's partnership with Walgreens? Fields said, "We're looking at populations that have chronic diseases and places with certain density of populations and where Walgreens has been for awhile, as well as visible and safe locations."

Rina Shah took the discussion to the future of where pharmacy can go, stating, "It is to deliver care in a way that improves the health outcomes of the patients we serve. That requires technology investment, it requires collaboration within different models like Village and what it means for Walgreens."

Ultimately her hope is that the pharmacist shortage plaguing the industry might eventually subside once students see that job responsibilities have changed, making it a much more desirable workplace environment than it was, say, ten years ago.

Lastly, Scott Malone, vice president of pharmacy engagement experience, addressed the importance of the functions of the microfulfillment center in Illinois, which opened a year ago and whose automation, and utilization of robots and efficiencies have been in operation for the past four months.

"This is very much a pharmacy and not a distribution center. We are actively filling prescriptions. We follow all regulations as it relates to how to run a pharmacy. We're making sure we are safe and compliant from a regulatory perspective, which is also customer health and wellbeing. We have 4,100 team members spread across the company. There are techs and pharmacists supporting the operations out of here...the back office, data processing and taking customer phone calls..." Malone said.

Pointing out that the site serves 641 stores across Illinois, Wisconsin and Ohio, Malone said, "We are at 50,000 prescriptions per day and we have the ability to scale up to 100,000 prescriptions a day. This site has 400 team members, who are pharmacists and technicians as net new job creation for the state of Illinois."

Lastly, before taking the press on the tour of the center, Malone said, "We have 11 facilities that are operating and we'll have 19 at full scale roughly within the next year. The opportunity we have here is reducing the tasks in the pharmacy. It allows the pharmacists time to have with patients face to face."

Elderly (cont.)

drugs are in clinical trials. There is also an incentive to improve care – the cost of managing these diseases is high, making up two-thirds of all healthcare costs overall and 93% of Medicare spending, according to PhRMA.

Often drugs do not work in the same manner as they do for younger populations. Older patients may take longer to metabolize medications, increasing the risk of toxic reactions at doses that may be safe for someone younger. They may also be on medication that interacts with the trial drug, rendering them

ineligible.

One blood pressure trial in very elderly adults, for example, looked to assess whether a blood pressure treatment could reduce stroke risk in people over age 80. However, less than 2% of identified patients met the inclusion criteria.

These inclusion barriers can limit information about how medication will perform in real-life users, who tend to be older and sicker than people in research studies. This is particularly true for oncology medications which can have a lot of adverse effects and toxicities. Often how older patients may respond isn't fully understood, or even what the proper dosing might be for these patients. This is true for other types of medications as well.

Another common barrier is that older adults may simply not know that clinical trials are an option due to insufficient outreach, despite their interest in participation. Research has shown that doctors are less likely to offer the clinical trial option to older patients.

Older adults need assistance navigating complex logistical hurdles that may otherwise dissuade them from participating, as well as complexities related to cognitive decline. They may need assistance from a caretaker to get to a trial site or lab appointment. Clinical trials can also be stressful, particularly for someone who is older and in poor health. Providing ongoing support to older patients can keep them from dropping out of trials.

Having the proper guidance and tools for older patients so that they can make informed decisions regarding their participation in these clinical trials is the key to increasing elderly participation.

In Brief (cont.)

spray *Dysmista* plus "other OTC assets" the company said. The OTC deal is expected to close in the second quarter of 2024. It has also agreed to sell its API business to **IQuest Enterprises** in India. That deal includes six manufacturing sites and an R&D lab. Spanish multi-national **Insud Pharma** will take on Viatrix' women's healthcare business in a deal expected close in the first quarter of 2024.

- ◆ **Zuellig Pharma** announced that it has achieved the *Platinum Medal* from **EcoVadis**, the world's most trusted provider of business sustainability ratings, for the 3rd consecutive year. In addition, EcoVadis has also rated Zuellig Pharma as a leader in carbon management which demonstrates its best-in-class greenhouse gas management system and strong decarbonization ambition with approved science-based targets. In 2023, Zuellig received an overall EcoVadis score of 82, compared to a global and Asia average of 48 and 33 respectively.

- ◆ **Johnson & Johnson** will join **Sanofi** in the commercialization of a potential first-in-class vaccine against extraintestinal pathogenic *E. coli* currently in Phase III testing. The companies announced an agreement on October 3rd in which Sanofi will pay J&J US\$175 million up front plus development and commercial milestone fees in exchange for commercial rights to the vaccine. The two companies will co-fund current and future R&D costs and will share profits in certain markets, including the U.S., France, Germany, Italy, Spain and the U.K. In the rest of the world, J&J will receive tiered royalties and sales milestones.

(Sources: CNBC, Company Press Releases, Drug Store News, FierceBiotech, FiercePharma, and Scrip Intelligence)