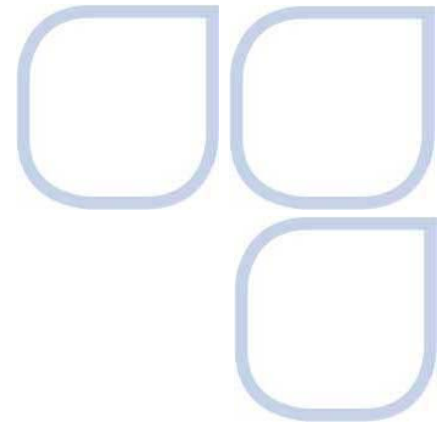




Delivering Greater Access to Affordable Healthcare



This presentation cannot be reproduced or printed without written permission from MinuteClinic
© 2008 MinuteClinic. All rights reserved.





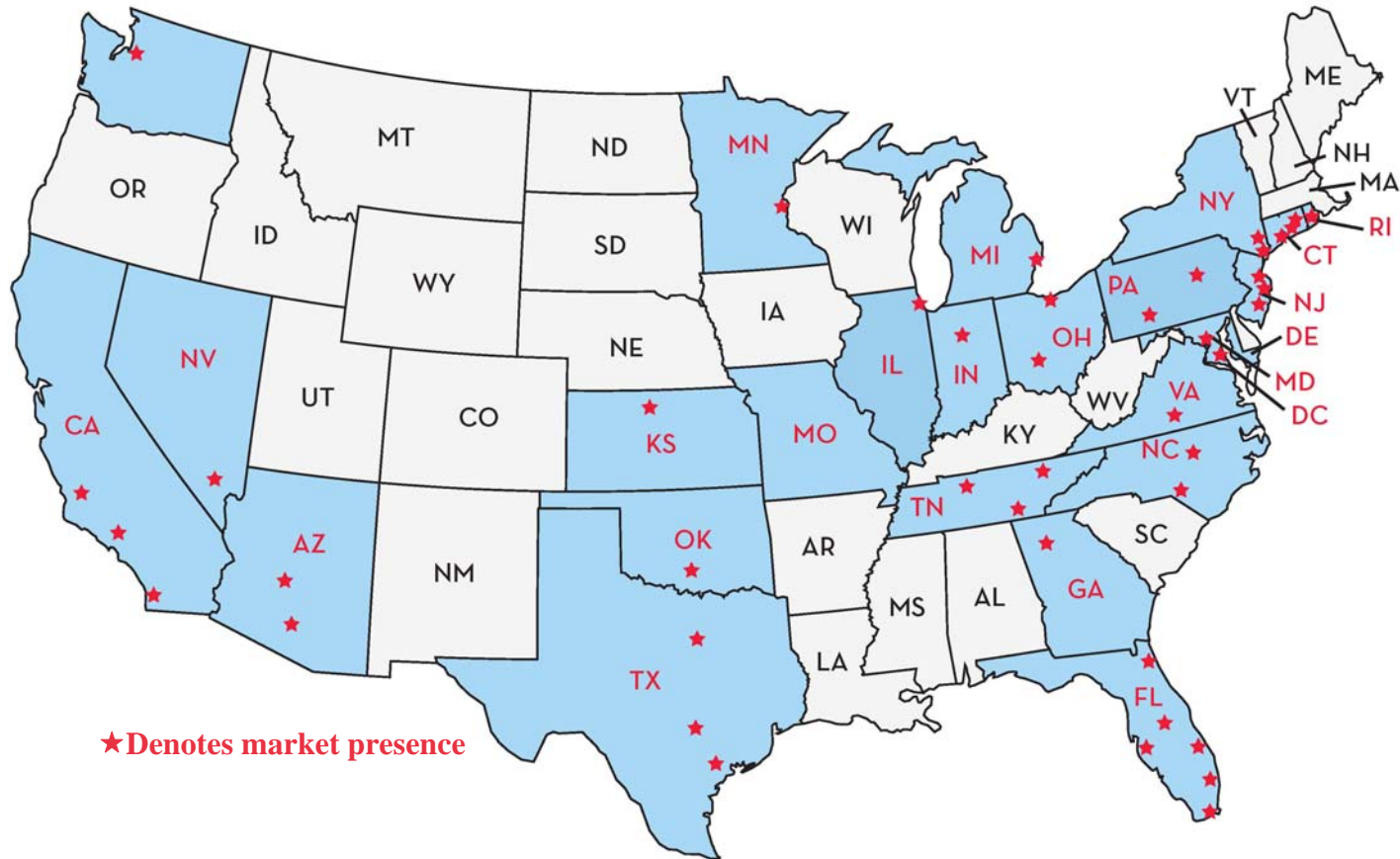
Company History

- 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



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

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+)

Vaccines

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

Wellness & Prevention*

Camp Physicals
Cholesterol Screening
Comprehensive Health
Screening
Diabetes Screening
Hypertension Screening
Obesity Screening

* Select areas only.

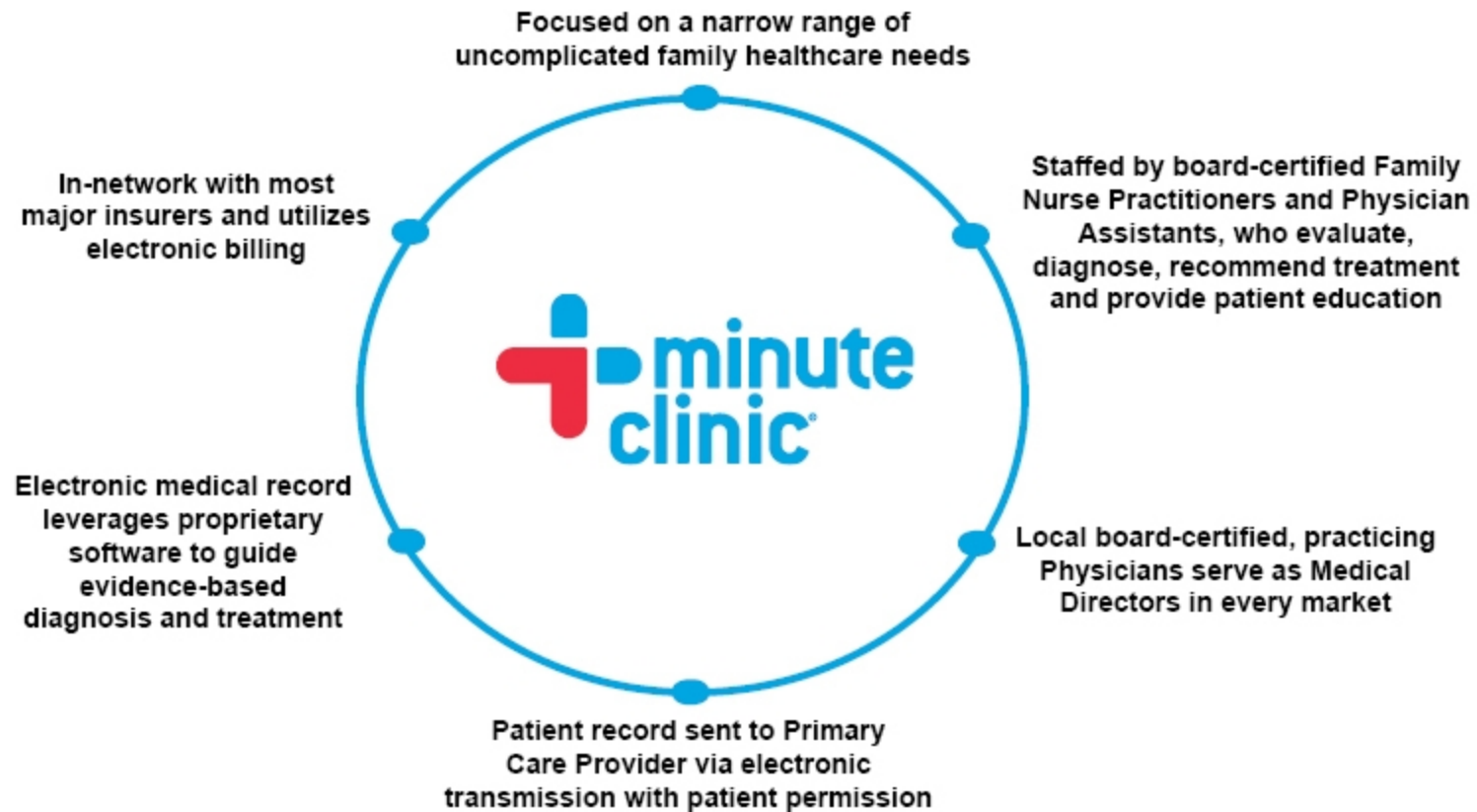
Additional Services

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



Essential Components Drive Quality

The following six components comprise the health care model:





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

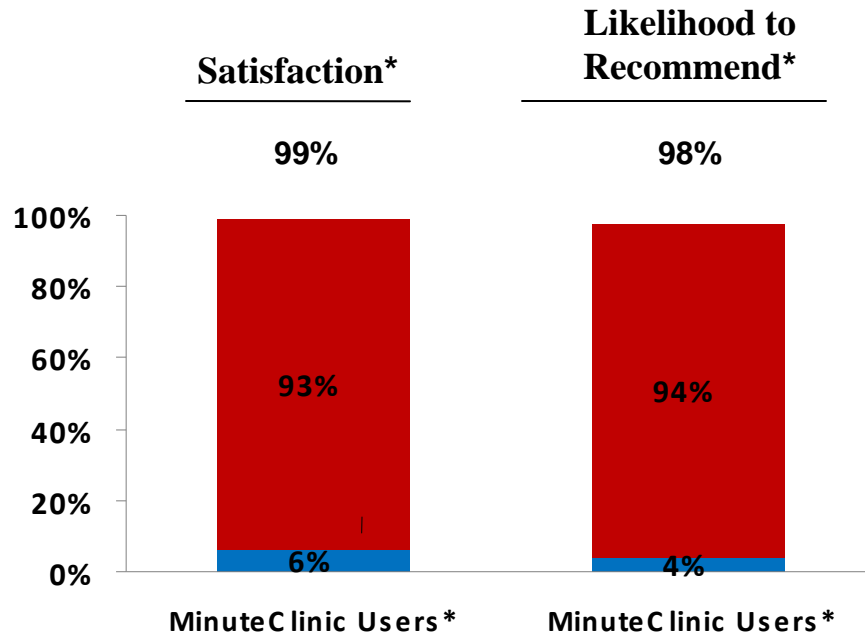
Being a good citizen in the medical community comes with responsibilities

- 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





Contact Information

Sara Ratner
Senior Legal Counsel
MinuteClinic
612-767-3190
sara.ratner@minuteclinic.com

