2021
INVESTOR
DAY

# Elevating

## the health care experience



**ALAN LOTVIN, M.D.**
Executive Vice President and
President, Pharmacy Services

CVSHealth

# **Cautionary statement** concerning forward-looking statements

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These presentations include non-GAAP financial measures that we use to describe our company's performance. In accordance with SEC regulations, you can find the definitions of these non-GAAP measures, as well as reconciliations to the most directly comparable GAAP measures, on the Investor Relations portion of our website.

Link to our non-GAAP Reconciliations


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**Our vision** to be the nation's leading health solutions company for consumers

## We will make this a reality by…

- **Delivering** a consumer experience that is as frictionless as banking or shopping
- **Being** the employer of choice for primary care doctors and advanced practice nurses
- **Acquiring** new primary care assets through enhanced MSO arrangements and owned primary care clinics
- **Supporting those practices with** a technologically-enabled health care ecosystem that is not transactional but integrated across providers
- **Incorporating** behavioral health and social determinants of health inequities directly into primary care


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**Now** is the time to do this because:



The consumer experience in health care hasn't materially changed in the digital era



Health care delivery is a transactional, fragmented system with inconsistent quality



Influence of behavioral / social factors on physical health are typically siloed or ignored entirely



Workforce shortages in primary care will continue to grow



The pandemic has forced health care delivery to evolve rapidly

**...CVS Health has the experience and infrastructure to reimagine primary care**


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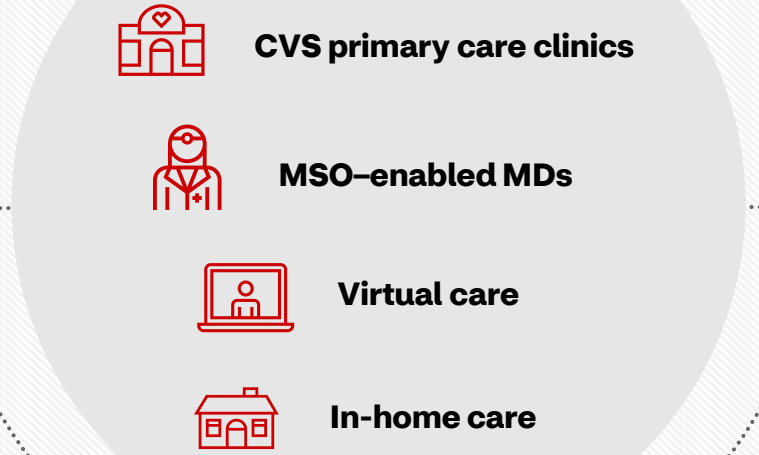
# Adding new primary care assets to create a truly consumer-centric care delivery model

**Comprehensive primary care services**

**Seamless connectivity** with NP-led distributed infrastructure

**Consumer-focused approach to design** for seniors




**Digital-first model** inclusive of virtual and in-home care

Technology infrastructure to provide **true longitudinal care**

**Maximized engagement** through tight connection to pharmacy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# Building a nationally-scaled next generation primary care model

## Comprehensive primary care services…

### Team-based, MD-led primary care

- MD, NP, RN, RPh, Health Coaches

### Integrated behavioral health

- 68% of adults with mental illness have chronic conditions[1]

### Social services support

- ~60% of a person's life expectancy is influenced by everyday activities

### Provider-led care coordination

- Care managers and health coaches most effective when anchored in practices

## …focused on the needs of seniors and caregivers

- Developing trusted relationships with seniors leveraging CVS Brand
- Integrated pharmacy to assist with medication reconciliation, polypharmacy and adherence
- Transitions in care support including remote patient monitoring to reduce readmission risk
- Physical space and technology that incorporates the critical role of caregivers
- Omnichannel access to care team allowing seniors to age in place with grace and dignity


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# Advancing clinical quality

## Longitudinal care with advanced technologies

**Fragmented care leads to higher costs and lower quality**

**Using proven technologies and approaches to maximize outcomes**

- Proven ability to deliver high quality care at scale in MinuteClinics

## Maximizing engagement

**Pharmacy drives engagement**

- Average patient interacts ~3X times per month[2]

**Engaging patients during dispensing improves patient behavior and clinical outcomes**

- 11% reduction in unnecessary ER visits with pharmacist consultation[3]
- ~37% engagement rate for Accordant nurses when embedded into Specialty dispensing workflow[4]


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# Designing with a consumer focus to remove physical barriers to care

Delivering care where, when, and how patients prefer...

## Seamless connectivity

- Primary care clinics
- Next gen MinuteClinics
- 4K+ NP/PA currently employed[4]
- Working as one team with everyone at the top of their license

## Home care

- Building on base of experience
- Coram: Nearly 1M visits since 2019[5]
- Kidney Care: 8K patients in care management and 1.3K patients in dialysis centers[6]
- Physician led in-home transitions of care program
- Evaluating new tech enabled capabilities

## Virtual care

- 15M virtual visits across CVS & Aetna in 2021, including 8M Behavioral Health
- New CVS virtual solution - single digital front door to health
- Integrating in-person and virtual care teams
- Connecting primary care to specialty care


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# **Removing barriers to care** with a digital-first consumer experience

## Intelligent care navigation

Proactive communications

Members book appointments online

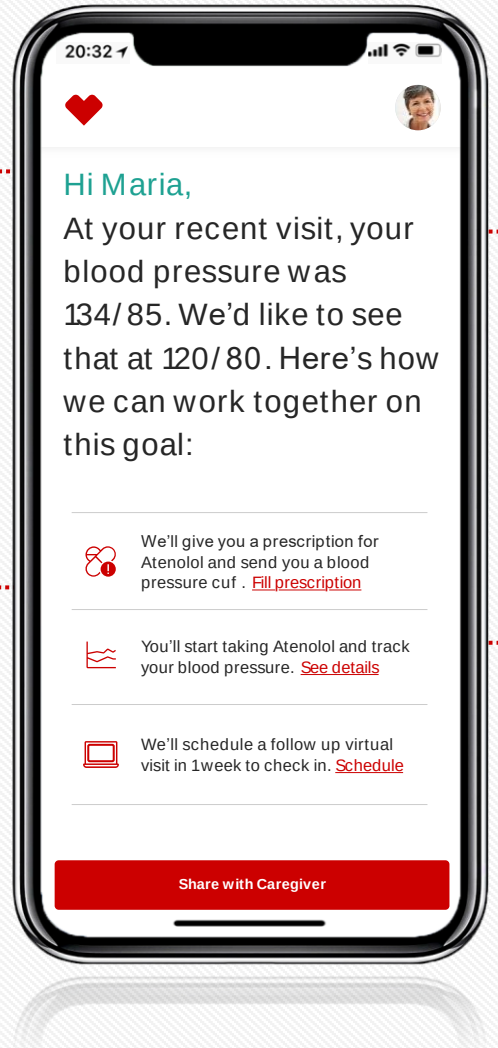
## Simple check-in process

Convenient check-in

Self-service geo-fencing

Wait time transparency

Proactive delay notification




## Convenient preparation for visit

Digital confirmations and rescheduling

Pre-populated online forms

## Personalized care between visits

Simple user dashboard

Prescription management

Health metric tracking

Ability to connect with care team 24/7

***Capabilities outlined are not intended to be exhaustive***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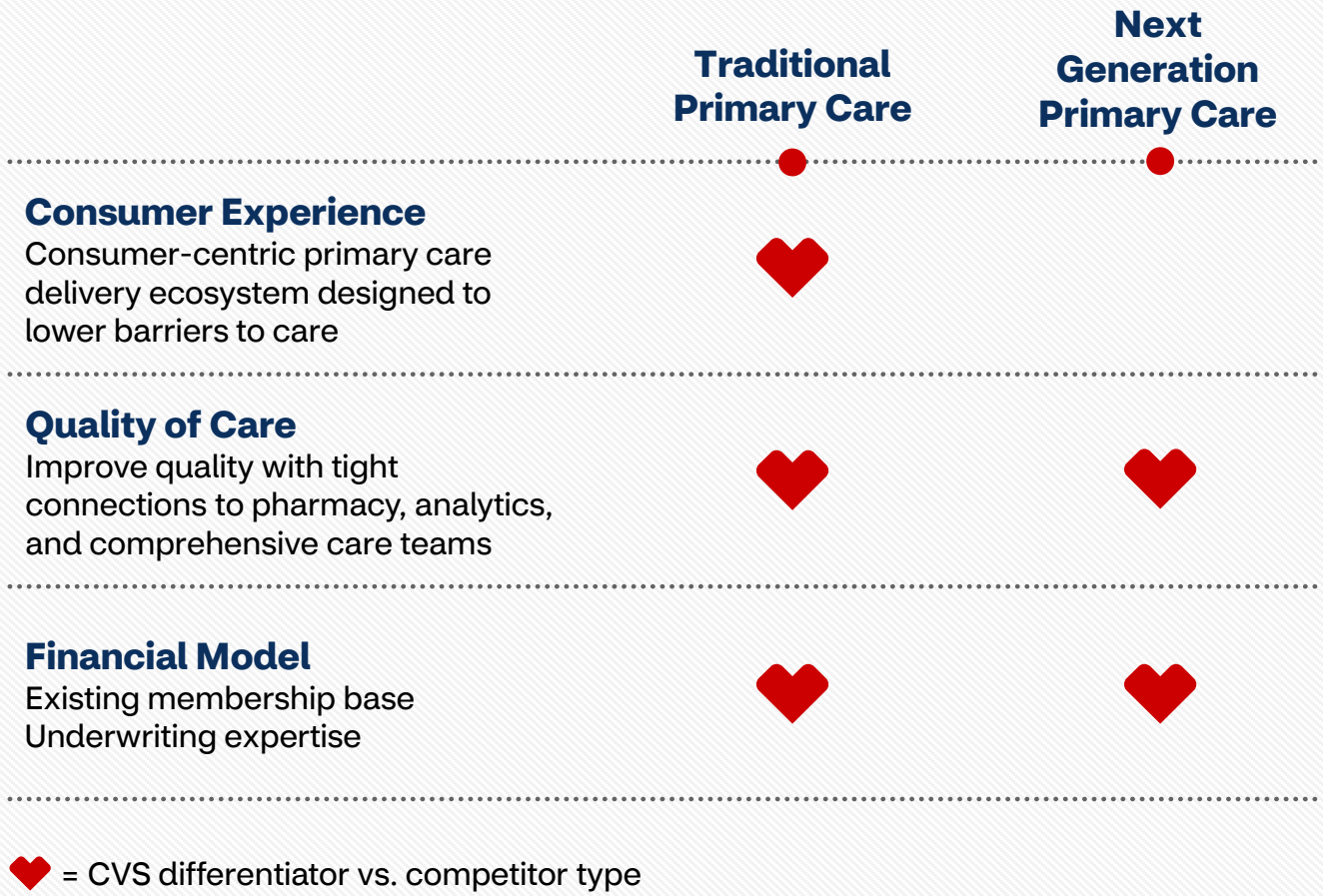
Realizing our vision will result in a **differentiated offering for consumers, payers, and providers**

# CVS Health can bring a new model to the health care delivery system





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Why CVS Health is **positioned** for success

## Experience and accelerants

- Existing risk membership including ~3M MA lives and 9.7M total risk lives
- Proven ability to scale clinical interventions
  - Nearly 1,200 walk-in medical clinics with >4,000 NP/PA currently employed[4]
  - 9,000 retail locations[7] with market-leading adherence rates
  - Largest Specialty Pharmacy supporting complex patients[8]
- Only health solutions company with consumer brand
- 70+ health plan relationships, 74M health plan lives
- Significant resources available for capability-focused M&A


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# Enhanced Primary Care is an important part of our growth strategy

**Multiple approaches to drive growth…**

**MSO Enabled Primary Care Clinics**

**Employed Primary Care Centers**

**Medicare Direct Contracting Entity**

**Advanced Analytics**

**Provider and Payor Enablement Services**

- Increased value of existing membership
- Incremental medical risk
- Improved outcomes and quality scores
- Patient flow and scale economics in enhanced CVS HealthHUB® locations


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# Key success measures we will report externally to share our progress

## Consumer experience

Consumer Net Promoter Score

## Provider experience

Provider Net Promoter Score

Physician retention

## Quality of Care

Clinical quality improvement (i.e., Stars / HEDIS)

## Financial performance

Care delivery revenue

Medical benefit ratio


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# strategic highlights

- **Delivering a superior primary care experience** for consumers and physicians
- **Building off our unique set of assets** with a consumer focus
- Care delivery and health services are a **meaningful contributor** to our financial growth story


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# Endnotes

All data is provided by CVS Health Enterprise Analytics or other internal CVS Health Sources, unless otherwise noted. All data is as of September 30, 2021, unless otherwise noted.

1. Adapted from the National Comorbidity Survey Replication, 2001–2003 (3, 83).
2. Adapted from the Pharmacy Times article “Pharmacists as Influencers of Patient Adherence” dated August 21, 2014.
3. Over 6 month period, data as of October 2021.
4. Data as of October 2021. NP/PA stands for Nurse Practitioner and Physicians Assistant.
5. Data represents full year 2019, 2020 and October YTD 2021.
6. Data as of November 1, 2021.
7. We hold more than 9,900 retail locations as of September 30, 2021 and expect to close 900 over the course of 2022 through 2024 as announced on November 18, 2021.
8. Fein, Adam J., The 2021 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers, Drug Channels Institute, 2021.


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