

CVS wants to become people's doctor's office

By Eliza Gray, Time

In the fifth season of "Curb your Enthusiasm", Larry David visits a pharmacist to fill his father's blood-thinner prescription. "You know, there's another drug on the market that I personally like a lot better," the pharmacist tells Larry. "But the doctor prefers this one?" Larry says. He holds up his hands like a scale and weighs his options. "Doctor," he says, holding up one hand, then "pharmacist," holding up the other. He decides: "I'll go with the pharmacist."

You may too if Larry Merlo has his way. Merlo, 59, is the CEO of drugstore giant CVS Health. Trained as a pharmacist himself, Merlo has ambitions to play a much bigger role in your health care. He's already pretty involved. Last year at 7,800 stores, CVS, the second largest drugstore chain in the U.S., filled more than 700 million prescriptions and administered 5 million flu shots – all while selling customers everything from groceries to gift wrap.

Now Merlo says the drugstore can do more. In his vision, CVS will leverage its sizable MinuteClinic business – which already has 970 locations – to diagnose patients, decide on treatments and then sell them the pills they need to get well. In its role as the pharmacy-benefits manager for some 65 million people, CVS also negotiates the price of those pills and helps decide which ones get reimbursed under various insurance plans. Merlo would also like America to stop smoking: he roiled the tobacco industry last year by dropping the sale of cigarettes in CVS stores. And if that causes some customers to have withdrawal pains, the CVS pharmacy can fill a prescription for a drug that helps them quit.

By taking on more of the role of your doctor as well as that of your druggist, CVS looks to grow beyond its already considerable size (\$4.6 billion in earnings for 2014). But Merlo argues that the stakes are far higher. He thinks CVS can save lives—and hundreds of billions of dollars in unnecessary health care costs annually—by efficiently treating Americans' routine sniffles and aches, nudging them to take better care of themselves and making sure they take their medications when they're supposed to.

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