

## Walmart Health is Closing



Back in 2019, we launched Walmart Health centers. During our five-year journey, we made meaningful impacts with patients while continuing to learn, pivot and evolve. While our mission to help people save money and live better remains, today we are sharing the difficult decision to close Walmart Health and Walmart Health Virtual Care. Through our experience managing Walmart Health centers and Walmart Health Virtual Care, we determined there is not a sustainable business model for us to continue.

The decision to close all 51 health centers across five states and shut down the virtual care offering was not easy. We understand this change affects lives – the patients who receive care, the associates and providers who deliver care and the communities who supported us along the way. This is a difficult decision, and like others, the challenging reimbursement environment and escalating operating costs create a lack of profitability that make the care business unsustainable for us at this time.

Our priority will be ensuring the people and communities who are impacted are treated with the utmost respect, compassion and support throughout the transition. We do not yet have a specific date for when each center will close but will share as soon as decisions are made.

While we will no longer operate health centers, we will take what we learned as we provide trusted health and wellness services across the country through our nearly 4,600 Pharmacies and more than 3,000 Vision Centers. For 40 years, we have provided these high quality, accessible and affordable points of care that are integral to their respective communities.

- Over the past few years, the importance of Pharmacies has continued to grow, and we have expanded the clinical capabilities of the services we provide. We continue to offer immunizations and have grown to provide <u>Testing and Treatment</u> services, access to specialty pharmacy medication and care, as well as other essential services such as medication therapy management and a variety of health screenings. With more than 4,000 of our stores in medical provider shortage areas, our pharmacies are often the front door of healthcare.
- Our optical business, which is growing and evolving to serve customers how and when they want, recently expanded with more than 200
  Vision Centers brought under Walmart ownership. We also launched a suite of optical tools, including <u>virtual try-on</u> capabilities that make
  getting a pair of glasses even easier.

Our culture of innovating and trying new formats and services has helped our company become stronger and better able to serve customers. We will continue to innovate as we grow our core businesses and launch even more services like the Walmart Healthcare Research Institute and health programs to join our fresh food and OTC offerings in helping our customers live better.

Today and in the coming days, we are focused on continuity of care for patients and providing impacted associates with respect and assistance as we begin the closing process of the health care centers. The associates and providers have made an incredible difference for their patients and communities, and they are a priority:

- All associates are eligible to transfer to any other Walmart or Sam's Club location.
- · All associates will be paid for 90 days, unless they transfer to another location during that time or leave the company.
- After 90 days, if they do not transfer or leave, eligible associates will receive severance benefits.
- Our provider partners will continue to serve existing patients while clinics are open. Through their respective employers, these providers
  will be paid for 90 days, after which eligible providers will receive transition payments.

We are deeply grateful to these associates and providers for their caring service to patients in our communities and to the patients who trusted us with their care.

Source: Walmart

Image Credit: LinkedIn

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