

CVS Health rivals Walgreens' personalized health efforts

Article

The news: CVS Health is deepening its Microsoft partnership to leverage the tech giant's cloud services and AI tech.

- CVS is aiming to provide consumers with more personalized care and to streamline CVS healthcare employees' workflows.

- For context, CVS Health already uses Microsoft's services like Text Analytics to digitize tasks in its pharmacies.

How we got here: CVS and Walgreens are in a toe-to-toe battle as retail-pharmacies-turned-primary-care-providers, and they're taking similar approaches. The CVS-Microsoft partnership is likely an approach to level with Walgreens.

In October, **Walgreens** **announced** its care model will resemble traditional doctor's offices since its clinics will be primarily physician-led, unlike other retail clinics (like Walmart) that employ more nurse practitioners as their providers.

- Shortly after, in November, CVS **indicated** it's adding more doctors to its primary care network, likely a play to keep up with Walgreens and boost its credibility among consumers.

Plus, in 2020, Walgreens inked a partnership with Microsoft to launch a platform delivering individually tailored healthcare experiences for Walgreens consumers.

- It appears CVS is taking a page out of Walgreens' book and deepening its Microsoft partnership to keep up in the retail clinic race.
- For example, similar to Walgreens, CVS **plans** to deliver customized health recommendations using machine learning models running on Microsoft's Azure.

The opportunity: Microsoft's partnership with CVS could boost satisfaction for both CVS' providers and consumers.

Two Microsoft health technologies in particular will make CVS' doctors and healthcare clients happier:

1. For doctors, it's Microsoft's Nuance AI-based voice tech.

Earlier this year, Microsoft **bought** AI voice recognition tech company Nuance in a massive **\$19.7 billion** deal to boost its cloud strategy.

- Nuance is used by **over 90% of providers** in the US, and has been around long enough to capture ROI for doctors.
- For example, its AI solutions have helped reduce duplicate imaging by **40%** and capture **\$1 billion** of appropriate reimbursement annually.

- Ensuring proper reimbursement will likely boost provider satisfaction so doctors stay on CVS' payroll long-term.

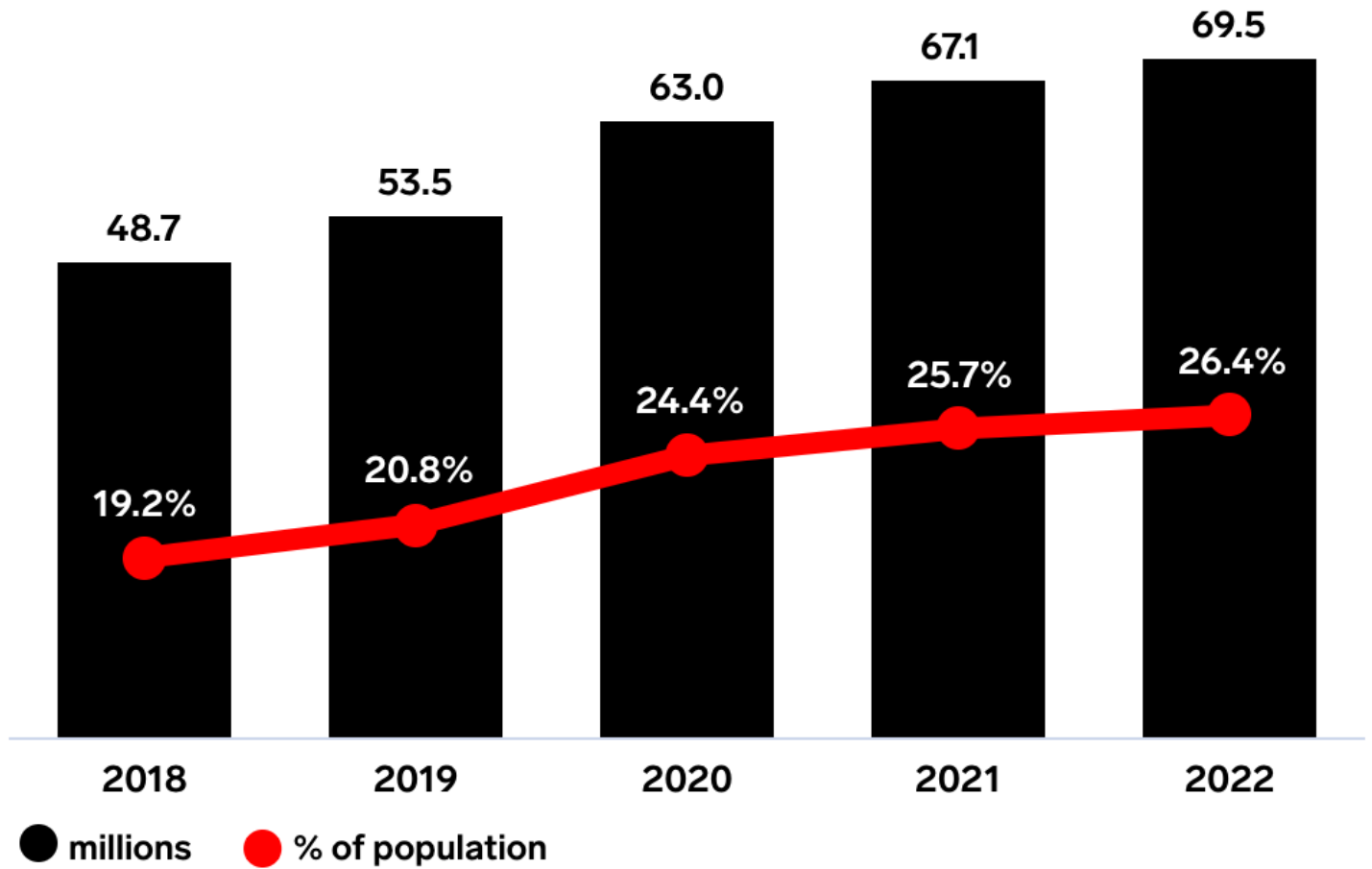
2. And for consumers, it's Microsoft's improved telehealth workflows.

Microsoft Teams will now be available to CVS' healthcare professionals.

- It streamlines telehealth workflows like scheduling, reminders, and mobile experiences—features that consumers increasingly want in a virtual care provider.
- **Nearly 73% of healthcare consumers** say they want to be able to schedule their own appointments, [per](#) a June 2021 report by Experian Health.

Retail Clinic Patients

US, 2018-2022



Source: eMarketer, January 2021

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