

Walmart Health loses its top executive to JP Morgan

Article

The news: Dr. Cheryl Pegus, who joined **Walmart** in December 2020 as executive vice president of its health and wellness division, [is leaving](#) for a position as managing director at **JP Morgan's** healthcare arm, per Bloomberg.

How we got here: Walmart Health has gone from being a potential frontrunner in delivering healthcare to almost an after-thought against rivals **CVS Health** and **Walgreens**.

- The first Walmart Health clinic opened in September 2019 and was promised as **just the beginning**, per an interview then-Walmart Health head Sean Slovenski gave to [Insider](#) that month.
- Insider later reported that Walmart’s board in 2018 had signed off on a plan to **build 4,000 primary care clinics by 2029** to become “America’s neighborhood health destination” and stave off rivals **Amazon** and **CVS Health**.
- **But plans changed, impacted by the pandemic.** In late 2022, there are just 32 Walmart Health clinics in Arkansas, Florida, Georgia, and Illinois. 16 more are planned in Florida in 2023.

Why it matters: Pegus’ departure could signal another round of exits at Walmart Health.

- Walmart Health execs began leaving in August 2020—Sean Slovenski’s exit marked the first.
- He was followed by Karim Bennis, a chief operating officer for Walmart’s health and wellness division; chief medical officer Dr. Thomas Van Gilder; and chief wellness officer Phil Suiter.
- No successor has been named for Dr. Pegus at the time of writing.

Our take: The retail health phenomenon shows no signs of slowing down going into 2023.

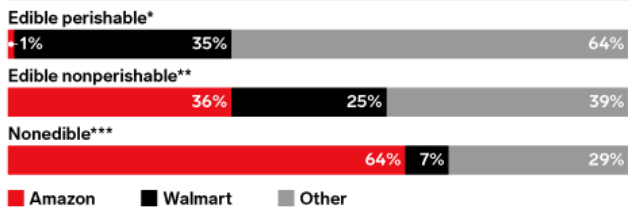
Walmart’s retail rivals include Amazon, CVS Health, and Walgreens—all of which are actively buying and building primary care networks and pushing toward in-home care services.

Walmart Health could have been a major healthcare disruptor—and still could be. The idea of providing high-quality, lower-cost healthcare services to people in medically underserved communities isn’t new. Walmart Health’s clinics are an interesting approach, but not on the current scale. However, if Walmart Health leveraged the US retail chain’s scale and physically provided those services across 4,000 US stores—that would be a game changer.

Go deeper: Check out our recently published report, [The Power of Walmart](#)

Amazon vs. Walmart Share of US Retail Ecommerce Sales for Edible vs. Nonedible Goods, 2022

% of total



Note: *includes frozen and refrigerated goods; **includes beverages and general foods (e.g., sugar); ***includes beauty, health (e.g., vitamins), general merchandise (e.g., pet supplies), and home care (e.g., laundry detergent)

Source: Forrester and IRI, "US Online Grocery Snapshot: Q2 2022," Aug 8, 2022

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