

Sesame, Truepill bring \$5 medications to consumers nationwide

Article

The news: New York-based digital health startup **Sesame Care** and digital pharmacy firm **Truepill** launched an online pharmacy, **SesameRx**, to make prescription medications more affordable and accessible, especially for those without insurance.

- SesameRx **offers** around **200 FDA-approved generic medications for \$5**, with free delivery in the US—no insurance required.

- SesameRx's platform will be using Truepill's consumer healthcare infrastructure and URAC-accredited pharmacy footprint to provide patients with a full-service formulary of Sesame-branded FDA-approved medications for a wide range of medical conditions (including allergies, depression, diabetes, high blood pressure, and ADHD).

Sesame flips the (Rx) script on healthcare payments: The company operates a direct-to-consumer (D2C) model and cuts out middleman insurers from the healthcare payments experience for patients.

This differs from traditional healthcare payments where patients are often billed by insurers at the end of their healthcare visit or buying experience. Instead, Sesame asks patients to directly pay for visits and prescriptions beforehand to avoid any surprise charges.

SesameRx also offers both **telehealth and in-person visits for \$25**—and that includes services like therapy, dermatology visits, and imaging scans.

- That's significantly cheaper than the average cost for an in-person doctor's visit (\$265), and cheaper than telehealth visits for uninsured patients.
- For example, **Teladoc's** general medical visits cost **\$75 per visit without insurance** and **Amwell's cost \$79** without insurance.
- On top of its competitive pricing model and payments structure, it touts a 1000+ provider network that spans across more than 80 specialties.

Unlike traditional healthcare payments processes, SesameRx patients can pay for their healthcare services and prescriptions upfront, so there are no surprise charges—which has historically deterred patients from seeking care:

- **53% of patients** said they've avoided filling a prescription due to uncertainty around costs, and **59%** have avoided doctors' visits altogether during the pandemic to dodge surprise medical bills, [according to](#) a February 2021 survey from OnePoll and Bend Financial.

Market snapshot: While Sesame's move to launch SesameRx with Truepill is timely (considering the growing D2C healthcare market), it isn't revolutionary.

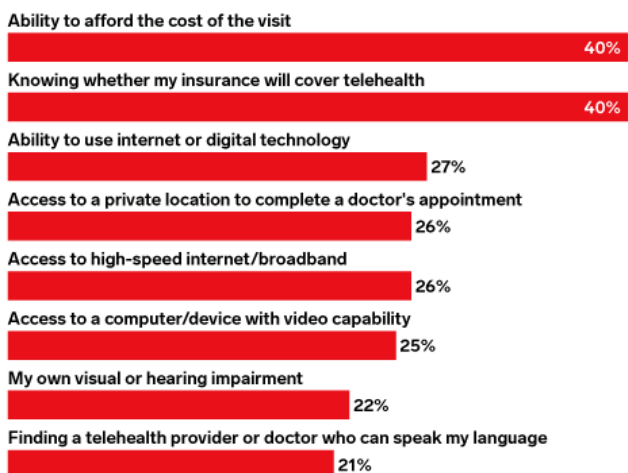
Walmart was the first to pioneer the way for cheap cash-pay payment options for medications when it [launched](#) its **\$4 prescription generics program** way back in 2006. And there are other D2C digital health startups doing the same thing:

- Startups like **Hims & Hers** and **Ro** offer both D2C telehealth services and prescriptions (which have both been powered by Truepill's digital pharmacy infrastructure).
- **Amazon Pharmacy** offers up to **80% discounts** on meds for Prime members, regardless of insurance coverage.

Why it matters: Regardless of bubbling competition in the D2C healthcare services and payments space, **transparent healthcare pricing** is becoming even more relevant, especially considering the federal government is turning up the pressure for providers and insurance companies to heed new pricing transparency rules.

Barriers/Obstacles to Accessing Telehealth Service According to US Adults, July 2021

% of respondents



Note: for doctor's appointments
 Source: Bipartisan Policy Center (BPC), "Telehealth Visit Use Among U.S. Adults" conducted by SSRS, Aug 1, 2021

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