

POSITIVELY AND SUCCESSFULLY DISRUPTING HEALTH CARE

An industry shift from disease management to disease prevention is driving demand



\$10.2
MILLION
2018 REVENUE



45
EMPLOYEES



There is a 10 x 8-foot wall inside Tailor Made Compounding (TMC) lined with notecards, pictures, email print-outs, and letters from doctors and their patients. Thanks to the compounding pharmacy's custom medications, many patients are in less pain, have lost significant weight, have achieved improved focus or heightened energy, to name a few benefits. Some express appreciation for saving their life.

The heartwarming emails aren't posted on the wall as sales tools, but as motivators for any employee who ever questions whether their job is important.

"Health care as we know it is clearly broken. We are serving doctors and patients who are focused on a 'well care' model as opposed to 'sick care,'" says Jeremy Delk, TMC's CEO, who launched the company in 2015. First-year revenue of \$120,000 has grown to more than \$25 million projected for 2019.

MEETING A MARKET NEED

Delk attributes much of the company's exponential growth to rising interest in integrative health, a personalized approach to patient care. Integrative health examines a number of measures of health, including labs, weight, BMI, skeletal muscle, as well as subjective gauges, such as how a patient feels and sleeps, and energy level, and prescribes treatments to stave off decline.

While chain pharmacies dispense mass-produced prescription pills and liquids, compounding pharmacies can actually create one-off medications with varying potency levels, minus certain allergens, or with additives to address common side effects. Sometimes, the pharmacy's work involves mixing a custom dosage, preparing pills with the exact level of potency patients need. In many cases, TMC's custom formulation can also be less expensive than the commercially developed standard.

Physicians are increasingly turning to TMC for help with this type of integrative medicine. "We've become an important tool in the physicians' tool box, helping treat the cause, not the symptoms," Delk says.



DISRUPTING THE INDUSTRY

At the heart of TMC's success is a willingness to take risks, Delk says. "Most pharmacies are owned by pharmacists, not entrepreneurs who are willing to test and fail," he explains. The company invests heavily in research and development (R&D) to develop new medications that address challenges its doctor-customers routinely face. TMC also values acting on patients' behalf, Delk says. TMC listens to what doctors need in the way of treatments and invests heavily in R&D to try and find solutions, spending more than \$40,000 on a single formulation just to test stability. "We're not afraid to invest, though it doesn't always pay off," Delk says.

That willingness to try something new frequently surprises doctors. For example, after hearing that physicians were having difficulty placing orders, TMC quickly reallocated resources and developed an easy-to-use mobile app. Delk says the doctors were shocked that a company would listen to their concerns and immediately do something about them. TMC's speed and agility made it possible.

Part of the challenge for the pharmacy is developing medications that do what more expensive treatments do, but at a fraction of the cost. Affordability is a core tenet at TMC. Once, when an uninsured patient was quoted \$40,000 to \$50,000 for life-saving medication, TMC worked with the doctor to find an equally effective alternative for 90 percent less.

"Affordability and education have been central to our growth," Delk says, so TMC leverages its relationships with doctors and the tools it has at its disposal to make quality health care accessible for all patients.