McKesson and HCA Healthcare Announce Plans to Form an Oncology Research Joint Venture to Advance Cancer Care and Increase Access to Oncology Clinical Research

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Proposed joint venture aims to expand clinical research services to improve cancer treatment options for patients

IRVING, Texas & NASHVILLE, Tenn.--(BUSINESS WIRE)-- McKesson Corporation (NYSE: MCK) and HCA Healthcare, Inc. (NYSE: HCA) announced today an agreement to form a joint venture combining McKesson's US Oncology Research (USOR) and HCA Healthcare's Sarah Cannon Research Institute (SCRI). USOR is the research arm of McKesson's The US Oncology Network and draws from a network of experienced investigators and dedicated clinical staff who specialize in oncology clinical trials. SCRI, which is the research arm of Sarah Cannon, HCA Healthcare's Cancer Institute, offers end-to-end clinical trial site support services with a deep expertise in early-phase oncology research and drug development as well as a specialized contract research organization (CRO).

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Together, USOR and SCRI will create a fully integrated oncology research organization aimed at expanding clinical research, accelerating drug development and increasing availability and access to clinical trials for community oncology providers and patients, including those in underserved communities. The joint venture plans to offer an expanded clinical research network, a broader portfolio of clinical trials, and enhanced data and analytics capabilities to better match patients with clinical trials.

“McKesson and HCA Healthcare share a commitment to advancing the next generation of cancer care,” said Brian Tyler, chief executive officer, McKesson. “This new joint venture is an important step forward in increasing access to clinical trials, particularly within the community setting, where the majority of all cancer patients are initially
treated. Additionally, the joint venture directly aligns with McKesson’s strategic growth priorities by further expanding our differentiated oncology ecosystem and improving the value proposition for provider and biopharma partners.”

“Clinical research and partnerships are fundamental to how we address our communities’ most pressing healthcare needs,” said Sam Hazen, chief executive officer of HCA Healthcare. “We believe this joint venture with McKesson, which unifies our oncology research experts, will promote the development of individualized therapies and provide more opportunities for cancer patients to receive new treatments.”

The transaction is expected to close in 2022. Following the close of the transaction, McKesson will own 51% of the joint venture and have operating control. The joint venture will be governed by a Board of Directors with representation from both McKesson and HCA Healthcare. The new company will be led by SCRI's Dee Anna Smith, who will serve as chief executive officer, and SCRI's Howard A. “Skip” Burris, III, MD, who will serve as president. Additionally, USOR's Robert Coleman, MD will become the new organization's chief medical officer and SCRI's David Spigel, MD will be its chief scientific officer.

“When it comes to the fight against cancer, building a network of collaborators is essential. Our impact on patients is evident through our longstanding partnerships with experts from Tennessee Oncology, Florida Cancer Specialists and many other valued oncology programs,” said Dee Anna Smith, chief executive officer of Sarah Cannon. “In the last three decades, our collaborations have led to advancing treatment standards for the majority of new cancer therapies that are available to patients today. We believe that coming together with US Oncology Research will complement and strengthen our network so that we can continue to make a greater impact for people living with cancer.”

Separately, McKesson will acquire Genospace, SCRI's personalized medicine platform. Genospace is a leading innovator in precision medicine and clinical trial matching. By becoming a part of McKesson, Genospace will power the oncology data and analytics capabilities for the joint venture as well as enhance the ability of its provider partners to more efficiently identify the most appropriate therapies or clinical trials for their patients.

Research is essential to advancing cancer care from diagnosis through survivorship, and as such, the joint venture will enhance both companies’ cancer care offerings. McKesson's The US Oncology Network and HCA Healthcare's cancer network, Sarah Cannon Cancer Institute, are not part of the transaction and will continue to operate independently of the joint venture.

Financial terms of the agreement were not disclosed. The transaction is subject to necessary regulatory approvals and other customary closing conditions.
About US Oncology Research

US Oncology Research is the research arm of The US Oncology Network and draws from a network of experienced investigators and dedicated clinical staff who specialize in oncology clinical trials, serving approximately 60 research sites and more than 170 locations and managing about 500 active trials at any given time.

About SCRI

Sarah Cannon Research Institute (SCRI) is the research arm of HCA Healthcare’s Cancer Institute, Sarah Cannon. Focused on advancing therapies for patients, SCRI is one of the world’s leading clinical research organizations conducting community-based clinical trials. A leader in drug development, SCRI has led more than 600 first-in-human clinical trials since its inception in 1993, and has been a clinical trial leader in the majority of approved cancer therapies for more than a decade. Additionally, SCRI offers management, regulatory, and other research support services for drug development and industry sponsors as well as strategic investigator sites through its contract research organization (CRO), Sarah Cannon Development Innovations. For more information, visit sarahcannon.com.

About SCRI’s Network of Strategic Sites

Our network of strategic sites includes SCRI at Tennessee Oncology a partner of OneOncology; SCRI at Florida Cancer Specialists & Research Institute; American Oncology Network’s Hematology/Oncology Clinic, Messino Cancer Centers, Genesis Cancer Center and Zangmeister Cancer Center; SCRI at HealthONE; SCRI - United Kingdom; Sidney Kimmel Cancer Center at Jefferson Health; and The Stephenson Cancer Center at the University of Oklahoma. Additionally, research is conducted throughout the Sarah Cannon Transplant and Cellular Therapy Network including the following programs: Colorado Blood Cancer Institute at HealthONE’s Presbyterian/St. Luke’s Medical Center; Methodist Hospital (San Antonio); Medical City Dallas Hospital; HCA Midwest Health’s Research Medical Center; St. David’s South Austin Medical Center; and TriStar Centennial Medical Center.

About McKesson Corporation

McKesson Corporation is a diversified healthcare services leader dedicated to advancing health outcomes for patients everywhere. Our teams partner with biopharma companies, care providers, pharmacies, manufacturers, governments, and others to deliver insights, products and services to help make quality care more accessible and affordable. Learn more about how McKesson is impacting virtually every aspect of healthcare at McKesson.com and read Our Stories.

About HCA Healthcare
Nashville-based HCA Healthcare is one of the nation’s leading providers of healthcare services comprising 182 hospitals and approximately 2,300 ambulatory sites of care, including surgery centers, freestanding ERs, urgent care centers, and physician clinics, in 20 states and the United Kingdom. With its founding in 1968, HCA Healthcare created a new model for hospital care in the United States, using combined resources to strengthen hospitals, deliver patient-focused care and improve the practice of medicine. HCA Healthcare has conducted a number of clinical studies, including one that demonstrated that full-term delivery is healthier than early elective delivery of babies and another that identified a clinical protocol that can reduce bloodstream infections in ICU patients by 44%. HCA Healthcare is a learning health system that uses its more than 35 million annual patient encounters to advance science, improve patient care and save lives. Please click here to connect with HCA Healthcare on social media.

Cautionary Statements Regarding Forward Looking Statements

The preceding descriptions of the proposed joint venture and acquisition constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, that involve risks and uncertainties that could cause actual results to differ materially from those in those statements. It is not possible to identify all such risks and uncertainties. The reader should not place undue reliance on forward-looking statements, which speak only as of the date they are first made. Except to the extent required by law, the parties undertake no obligation to publicly update forward-looking statements. Risk factors include but are not limited to: the parties might be unable to complete the transactions as anticipated; the joint venture will be subject to extensive, complex and challenging healthcare and other laws; the parties may not realize the expected benefits of the transactions; the joint venture and acquisition might not achieve anticipated financial and operating results. Investors should read the important risk factors described in each party’s Form 10-K, Form 10-Q and Form 8-K reports filed with the Securities and Exchange Commission.

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