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In this episode, Taren Grom, Editor-in-Chief of PharmaVOICE meets with Lourdes Felix, CEO, Chief Financial Officer, and Director of BioCorRx Inc.

Taren: Lourdes, welcome to the WoW podcast program.

Lourdes: Thank you for having me this morning. I'm excited to be here.

Taren: It's truly our pleasure. And I can't wait to dig in to your story. Can we start with what prompted you to take that entrepreneurial leap to found BioCorRx?

Lourdes: Yes. I'll start off by saying that I am a self-motivated individual. I like to challenge myself. I truly think that there's lots of risks when it comes to business ownership, but then the flip side of that is that there is reward and success. I think what drives me every day is a personal passion and mission to help save as many lives as possible. I look at myself as fighting the fight every day to try and make the difference and I don't give up. From the moment that I stepped into this company eight years ago, I felt a passion and desire to help it expand and to be able to help as many individuals as possible that are suffering from substance use disorder.

Honestly, I don't think I realized what I was taking on at that time, but I had the energy and saw clearly what needed to be done and began to tug on the reigns, as someone might say. I don't think that every entrepreneur has the same story. We all have a different story when it comes to what made all of us take that leap of faith and dive in headfirst into that first business. But for me, I think there's been no bigger challenge in my professional career than what I'm doing right now well beyond any other professional advancement that I've had in the past 30 years. There's definitely many, many long days and short nights, but this has been the most rewarding thing that I've done in my professional career.

Taren: It's amazing, and you really are making such a difference for the community. And let's face it, this is an area that is not talked about nearly enough, nor does it receive nearly as much attention as it should. So tell me how you came to focus on the areas of addiction treatment solutions and related disorders.

Lourdes: When I joined the company in 2012 eight years ago, BioCorRx was the MSO for a single and very small medical practice that was located in Santa Ana, California.

The clinic focused solely on treating individuals suffering from alcohol use disorder. And I'll say that the acronym MSO stands for a management services organization which is designed to help physicians and help providers with the nonclinical and administrative part of their medical practice and also to be able to grow the business side of their healthcare practice.

I believe it was in about 2013 or 2014 that we noted that there was a substantial need for more treatment options for opioid use disorder. It was actually in 2014 that we learned that we could really focus on expanding our brand nationwide by partnering with independent physicians and healthcare providers by licensing our recovery program. And in turn, they could offer the Beat Addiction Recovery program to their patients and we could make a difference and a larger impact in helping save more lives.

Our operational model when it comes to the recovery program is B2B, business-to-business. We do offer and market our recovery program to licensed medical professionals who in turn offer the program to their patients. So our recovery program has evolved over the last eight years substantially. Our Beat Addiction Recovery program today is a comprehensive MAT program, and MAT stands for medication-assisted treatment. The program combines medication with cognitive behavioral therapy, also known as CBT, and peer support; and doctors can choose to use the program with their patients for both opioid use disorder as well as alcohol use disorder. The doctor can choose to prescribe any form of medication-assisted treatment with the program. The CBT portion of the program consists of 35 proprietary module curriculum. It can be used with the patient's therapist. Each CBT module is then coupled with areas that are vital to the treatment of substance use disorder and the modules can also be used with patients that are being treated with or without medication-assisted treatment.

Our peer-support portion of the program offers live 24/7 support through a HIPAA-compliant smartphone app which I'm sure a lot of folks are very, very familiar with, almost everyone. And patients can be paired with peers on the app which make it, I guess, convenient for them to work on their recovery either via text, via phone, or even video through the app. Fast forward to 2016, we went on to form our majority-owned subsidiary which is BioCorRx Pharmaceuticals, Inc. We have a small preclinical pipeline and are focused on acquiring the development of products for the treatment of addiction and other related disorders. And one of our frontrunners there, our pipeline products, is BICX102 that is being developed for the treatment of opioid addiction and alcoholism with the goal of regulatory approval.

Most recently, just over one year ago in October 2019, we launched our UnCraveRx weight loss program. It's a medically-assisted management program. It's combined with a virtual platform and it's through an app that can also be accessed online so you have both – they're available through your mobile app and it can also be accessed through your PC or through your laptop. Our weight-loss program is a comprehensive three-month program. It includes the virtual platform to support individuals to create better

eating habits and a healthier lifestyle. It's very unique. There's no other app out there. I realized, and we realized, and we did so before we launched our program that there are many apps out there that are lifestyle apps that can be downloaded and have multiple different options, but this is very unique in that we offer live and virtual options for individuals that need personalized support and interaction with wellness specialists.

So we do have wellness specialists available through the app, and these wellness specialists can consist of nutritionists, fitness experts, and also behavioral experts and all of this is delivered through the mobile app. It's also a business model. It's also B2B. We partner with licensed medical providers who in turn can offer the program to their patients. We're super excited about this newest division of our company and the weight loss program and I think this sums up how we came to be and how we have evolved over the last 10 years.

Taren: That's fascinating. Obviously, you're addressing some really critical areas in our public health situation – opioid addiction, weight loss to counter obesity, alcoholism. And you're mixing both a therapeutic as well as a digital tool which seems to be really the vision for the future for many drugs, and especially in that opiate space which is so critical right now as we continue to see the devastating effects of opioid addiction on our population. Tell me what you're seeing in the market. Are you seeing improvements? Is there a reason to be optimistic as we look forward?

Lourdes: That is actually such a great question and it's a question that I truly wish more media outlets would cover. There's more and more research coming out every day currently on the opioid epidemic and it is worsening, but it's kind of being overshadowed by our current pandemic, COVID-19. The AMA, the American Medical Association, actually just released a research brief in September that corroborates the concerns that companies like ours have about the barriers to access to treatment for individuals suffering from substance use disorder. This is something that our company noted four or five years ago. I'm so happy to see that this is now coming to the forefront and there are actions being taken to eliminate a lot of these barriers so that individuals can have access to treatment. It's been such a long-time concern for all of us in this industry and we're just happy to see that these changes are being brought about.

The drug overdose rate this year is currently on pace for a record year and all of this, even during the COVID-19 pandemic, which sounds a little outrageous but very true. The U.S. death rates from suicides and overdoses are expected to reach an all-time high in 2020. And all that going along with what the country and the world is going through with the pandemic and COVID-19. The prescription opioids are down, but then you still have synthetic and illicit drugs that are still on the rise. The good news is that health insurance payers are now being urged to remove what they call prior authorization which are barriers, and barriers that have been there for many years for opioid use disorder, and we're now starting to see that shift.

I feel that the opioid package, which is the support act that was signed into law in 2018, has actually strengthened and expanded access to treatment for individuals suffering from substance use disorder. And I will say that every state Medicaid program is now required to cover every form of medication-assisted treatment. Before the support act was signed into law in 2018, there were still 13 states out there that we're not yet covering all forms of MAT which I just find alarming. I feel that this will continue to improve and I think that we will soon hear and see that more payers are removing these barriers, and that individuals that are seeking treatment are going to be able to get in and get treatment right away.

Taren: That is encouraging. I mean the numbers that you're talking about are devastating, but it's good to hear that there are some positives in terms of removing, as you said, some of those barriers. What do you think is still one of the biggest remaining barriers to be able to assist these individuals who so desperately need help?

Lourdes: We need to get them into treatment. There's so many individuals out there that I think the stigma is instilled, that this is something that an individual can wake up in the morning and can decide not to do that anymore. It's a disease and we need to help these individuals. The first step and the gold standard is medication-assisted treatment, and then we need to get them behavioral support. All of this has changed substantially in the last couple of years as far as what I just mentioned and access to treatment. So it's not just the medication, it's actual treatment that includes medication, therapy and support – all of that, all inclusive. So I think we're well on our way into being able to get more individuals into treatment on their way into recovery.

Taren: That's great. And that is some positive news as well. So as we look forward to the next few years, do you think the United States in particular has the capacity to expand the treatment options that are going to be needed for these folks?

Lourdes: I've been in this industry for the last nine years, let's say, and there are doctors – addictionologists, treatment centers that are all readily available to treat these individuals. The big barrier is what I just mentioned which I know why there is such a push now to remove these barriers for access for treatment. But I think that going into the next 12-24 months will give us a better picture of what's to come, but I definitely do feel that there are doctors out there that are dedicating their lives to helping these individuals. So, hopefully, the government will continue to help on their part to be able to get these individuals paid treatment through commercial payers, through the government payers, and remove the barriers and the precertification and prior authorization that they're requiring right now.

A lot of these individuals when they go and seek treatment and they have their payers that require a prior authorization or precertification, you lose them. When you have someone that walks into your clinic that is seeking help and you say, "Well, come back next week or come back in two weeks when we get authorization from your insurance provider,"

you've already lost them. When they're willing to step into your medical practice and ask for help, that's the time to give them help.

Taren: Agreed. I'd be hard-pressed to think that there's anybody who's listening to this podcast who hasn't been personally affected or knows somebody who hasn't been impacted by the loss of life to addiction because it is so prevalent in our society. So kudos to you and your team for doing such great work in moving the needle forward and removing some of these barriers so that the people who really need the help can get the help they need. So very grateful to you for that. To switch lanes a little bit, I also know that you've been very instrumental in occurring capital for the company as well as completing multi-dollar equity financing and working with some big investment banks. Talk to me about this experience because when you go to look at how money is raised for typical pharmaceuticals, is it any different than raising money for what you're doing?

Lourdes: Yes and no. I think it depends on the audience. I think it depends on the investors. It is difficult. I'm not going to say that it's not; it hasn't been easy. And I think that my biggest learning from this process in particular is that we're told no very, very often when we go out to raise capital. And I would have to say that in my personal experience during the last eight years, whenever I walk into a room of investors, private investors or retail investors, I've probably been the only female in the room about 90% of the time.

Taren: Not a surprise.

Lourdes: Yeah. But you know what, on the flip side of that, we have been very fortunate. Our company has been very fortunate to meet investors that believe in the societal impact of our business. And these investors do continue to be by our side and they actually work by our side every day. So it's the good and it's the bad; and at the end of the day we do have a business that does have a huge societal impact and all of us involved – the whole executive team, our board of directors, and also our investors truly believe in what we're doing.

Taren: That's fabulous. Obviously, the numbers as well as anybody there, there just aren't as many women CEOs or women sitting in the C-suite. So when you have to go out and raise money, you are, as you said, oftentimes the only woman in the room and that has to pose some particular challenges, I would think. And so how do you manage some of that in terms of the way you present yourself or the way you present the story of the company, or are you just your authentic self and that's the way it is?

Lourdes: I'd have to say that from the onset, when I first started doing this, I thought that I had to fit in, I had to make sure I knew who my audience was, which we all have to do; that's no different there. But I think as I continued in the process, it was just second nature and I was just myself. And as a female, I always note in the room who's really paying attention and who's not and that's something that I think everyone encounters

whether you're male or female; it's just the nature of the beast. But, again, it's something that we've had to do from the onset and it's something that we continue to do so I just continue to do what I do.

Taren: Love it. You also represent another underrepresented demographic, if you will, in the C-suite and that's of Hispanic women. Do you feel a particular sense of responsibility as a role model?

Lourdes: I honestly don't feel like a role model and I don't look at myself as that. I know that I am an underrepresented minority and have always felt that I don't always fit in, but I feel an enormous sense of accomplishment. I am an executive that's always been focused on the end result and not necessarily individual accomplishments; that's just who I am. I really truly hope I can inspire other female entrepreneurs and show what Hispanic women can achieve.

Taren: Well to me, that sounds like the definition of a role model so I think you need to start thinking about yourself that way personally. So kudos to you for stepping up and stepping out and being a shining example. Tell me a little bit about your leadership style. How would you describe yourself as a leader?

Lourdes: Well I would say that I'm a leader that has a vision and someone that can passionately communicate and motivate others to be part of that vision by creating a culture of inclusion with commitment and leadership that recognizes the value of everyone's voice, their life experiences and their expertise. I want to be a CEO that creates a supportive team who will all support each other; that's my goal.

Taren: Fantastic. And what do you feel some of the biggest challenges you face right now as a leader are? I know everybody's struggling with the pandemic and figuring out that work-life balance at home. So tell me about where you are.

Lourdes: I think you just said it in four words. I would have to highlight and say that the business disruptions caused by COVID-19 is forcing us and all companies to adjust in different ways. The pandemic has caused major adjustments on how we do business and how we conduct our business. Employees are having to work remotely from home which means that we have to manage our business virtually which is not always the easiest thing. And then on top of that, we have employees with families and they're also faced with having to play the teacher role plus employee. So it's definitely a difficult, difficult balance. Many small businesses are financially fragile – we're no different. Fortunately, there's been government aid available in the form of the payroll protection loans, the PPP loans, as well as the economic injury disaster SBA loans. And fortunately for our company right now and during the entire time that I've been with the company, the demand for what we do is there and we're going to keep pushing forward.

Taren: That's fantastic. We're seeing so much more data come out about especially for women who are managing high profile careers and are still carrying most of the responsibility of the home duties as well, and so it's really putting a strain particularly on women. Obviously, you have a very successful career. I'd like to know is there anything you know now that you wish you had known as you were moving up the ranks? What would you have done differently, if anything?

Lourdes: Well, I think my answer to that is no, I don't think that there is, for me. I'm not the type of person that likes to look back and ask myself "what if." I'm happy and content to say that I've had two great mentors in my professional career and I wholeheartedly believe that that in itself has provided me with the ability and the confidence to develop and grow and advance in my career. They were also there to provide personal support and motivation, and I just find that priceless.

Taren: Excellent. And since you had such great mentors, do you consider yourself to be a mentor and do you mentor other folks in your organization now?

Lourdes: Our organization is small; I don't. I think that the mentors that I had in my career, I never really came out and said "you're my mentor" but I always refer to them as that; and when I do refer to them as that, they're very humble. But as far as my role – sure, I would love to be able to be a mentor to anybody in my company. But we are a small company and hopefully I will be able to fit that role to someone eventually and maybe soon.

Taren: Excellent. And finally, we ask this question to all of our WoW podcast folks. Tell me about an accomplishment or a wow moment that either shaped your career or changed the trajectory of your career.

Lourdes: Well, to start, I have to say that I am an introvert. I've never been one to seek the spotlight. But the wow moment that has shaped my career and I don't really want to look at this as past tense, I'm going to say that this continues to shape my career, it is a look back at my humble beginnings. I am a 52-year-old, first-generation American-Hispanic female that grew up in a house with 10 people – mom and dad and seven siblings, with many, many obstacles growing up in an inner city and parents who didn't speak the language when they immigrated to the United States and not always earned enough money to provide for the family. I look back at that and look at myself and where I am now. This is my ongoing wow moment every day that I wake up.

Taren: That's amazing. May I ask, are your parents still alive?

Lourdes: They are, yes. My mom is 79 years old and my dad is 80 years old.

Taren: And how fantastically proud are they of you?

Lourdes: They are. They have been so encouraging from the get-go. And coming to this country, having eight children, my dad always, always, always, conveyed to his daughters that this is the land of opportunity, if you really work you can make it happen, so I carry that with me every day.

Taren: Well, thank you so much for sharing such a personal side because I just got goosebumps and I got all choked up when you were talking about your family and your parents. And I think this was what this part of this program is all about is really getting to that human side of the people who are really making an impact in the industry and everybody comes from somewhere. And while your beginnings might've been humble, you really achieved such wonderful things in your career, in your life, so congratulations. And thank you again for being a part of our WoW podcast program, and thank you for doing such important work on behalf of patients and the industry.

Lourdes: My pleasure. Thank you so much for having me and allowing me to share our company and what we do, and we will continue to fight the fight.

Taren: That sounds great, Lourdes. I wish you continued great success.

Lourdes: Thank you so much.

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