



Team ID: G01

ILLUMINATION Consulting

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
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Topic Title: Wellness Supplements Advertise Glamorized Treatment, Minimizing Side Effects and Regulations

Audience: Hims & Hers - Board of Directors

Sustainable Development Goal

SDG #3: [Ensure healthy lives and promote well-being for all at all ages]

Executive Summary

Healthcare was once built on trust between doctors and patients. Today it operates like a subscription service where telehealth companies can approve prescriptions in minutes, despite skirting the government's limited regulations. The FDA has recently announced a significant crackdown on companies selling GLP-1 compounded medications to combat misleading marketing in direct-to-consumer markets. These products are marketed by emotionally targeting consumers through aggressive advertising, which has allowed them to generate substantial revenue.

Hims & Hers has entered a competitive market with high growth potential, but they have lost sight of their mission to serve patients. This is demonstrated by the major stock price jump they saw in the first six months of 2025 in which prices soared by 124%. However, due to public scrutiny regarding misleading marketing and potential side effects, their stock price has plummeted by 50% in the first two months of 2026. As legal scrutiny increases, telehealth companies open the door for civil suits, which questions the legality and ethics of their operations and will undoubtedly harm their long-term financial performance and relationships.

Given the risks of Hims & Hers, we recommend that emerging telehealth organizations emphasize an ethical approach to wellness treatments that will ultimately increase demand, profits, and accessibility while promoting patient protection. Our **C.A.R.E.S** approach to decision making can guide companies through the ethical gray zones that plague the telehealth industry. By focusing on Clarity, Accountability, Responsibility, Ethics, and Safety, Hims & Hers can recover their image and continue to lead the industry.

Clarity | Accountability | Responsibility | Ethics | Safety