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WORLDOBITUARIES

# George Paz Leapt to CEO Job From Steak 'n Shake Gig

Former head of Express Scripts, who has died at 67, struggled at start of career to balance work, studies and fatherhood



George Paz joined Express Scripts as CFO in 1998 and rose to CEO in 2005.

PHOTO: JENNIFER SILVERBERG FOR THE WALL STREET JOURNAL

*By James R. Hagerty*

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George Paz, the son of a factory worker, couldn't afford a fancy college.

Already married with children in his early 20s, Mr. Paz struggled to balance studies with early jobs driving a truck and managing Steak 'n Shake restaurants.

He finally got himself on track by finding a day job at an insurance company that allowed him to study accounting at the University of Missouri-St. Louis in the evening. The nine years it took him to complete a degree was "a tough row to hoe," he said, "but it taught me a lot."

He later became a partner at the accounting firm Coopers & Lybrand and in 1998 joined Express Scripts Inc. as chief financial officer. Based near St. Louis, Express Scripts was then a little-known manager of employers' pharmacy-benefit plans. Benefit managers determine which

medications are covered by insurance plans and where people can pick them up. Such firms also can deliver pills from their own pharmacies.

Mr. Paz rose to president in 2003 and chief executive officer two years later. His strategy was to gain enough scale to give Express Scripts leverage over giant pharmaceutical companies and drugstore chains. In 2011, he led an acquisition of Medco Health Solutions Inc. for \$29.1 billion, making Express Scripts one of the industry's top players.

He stepped down as CEO in 2016 and retired as chairman two years later when Cigna Corp. acquired Express Scripts.

Mr. Paz died Oct. 23 at his home in Clayton, Mo. He was 67. His wife, Melissa Paz, said he suddenly collapsed and the cause of death hadn't been determined.

When he stepped down as CEO, annual revenue at Express Scripts was about \$100 billion, up from \$2.8 billion when he joined 18 years earlier. Clients included the U.S. Defense Department and Walmart Inc.

As CEO, Mr. Paz said his job was to be "the guy that creates change." He promised to negotiate cheaper prices for drugs with manufacturers and pharmacies while monitoring prescriptions to make sure people were getting the right medications.

He bucked giant pharmaceutical companies by urging clients to switch from some of the most expensive drugs to generics. But Express Scripts and other benefit managers also sometimes helped pharmaceutical companies market expensive brand-name drugs.

The business, Mr. Paz told The Wall Street Journal, was far more than "counting pills and sticking them in bottles."

One Friday afternoon in 2009, Mr. Paz summoned Bob Clark, the head of the construction firm Clayco, for an urgent meeting. Express Scripts needed a 200,000-square-foot building to house automated prescription-filling equipment in St. Louis. Mr. Paz wanted to begin installing the robotic equipment and conveyor belts within four weeks.

At the time, "we were just looking at a piece of dirt" on an empty site, Mr. Clark recalled. He told Mr. Paz that the timeline seemed "kind of crazy." Mr. Paz replied: "Well, can you do it or not?" Clayco accepted the job and completed the project in seven months.

Mr. Paz "cut through processes and bureaucracy like a hot knife in butter," Mr. Clark said.

“We’re pretty frugal,” Mr. Paz told The Wall Street Journal. Though the company provided free coffee, employees had to supply their own cups.

The Medco acquisition came with a corporate jet. “The first thing we did was sell it,” said David Norton, a senior vice president under Mr. Paz. “That was not Express Scripts.”

Mr. Paz moved the company’s headquarters from a suburban office park to the campus of his alma mater, the University of Missouri-St. Louis. He saw that as a way to recruit talent and embed the company in a more diverse community.

Even after he became a senior executive, Mr. Paz described himself in simple terms. Asked at a social occasion what he did for a living, he said: “I’m a bean counter.” In an interview, he called himself “a pretty dull guy.”

Born Aug. 27, 1955, he grew up mostly in O’Fallon, Mo., near St. Louis. His father worked at an aerospace plant. Family vacations typically involved road trips in a station wagon to national parks. To save money, the family often slept in the car and ate canned food. Mr. Paz developed a lifelong aversion to road trips and Spam.

He was a star manager at Steak ’n Shake and sometimes said he could always go back there if his financial career didn’t work out.

Mr. Paz is survived by his wife, three daughters, 10 grandchildren and his older brother, Jerry Paz. An earlier marriage ended in divorce. His philanthropy included scholarships at the University of Missouri-St. Louis.

Though his golf talents were modest, he loved the game. During a visit to the Lahinch Golf Club in Ireland, friends recalled, he insisted on playing despite slashing rain and wind gusts strong enough to blow drives into neighboring fairways.

Hours before he died, he played golf with his wife and was delighted with his score of 82. “That was a phenomenal score for him,” she said.

His youngest daughter, Becky McClaney, remembered him as a tough but forgiving father. When she found herself pregnant as a teenager, she dreaded having to tell him—then was relieved by his response: “It’s OK, I love you.”

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