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Retail Clinics: Flash in the Pan or Wave of the Future?

The number of convenient care clinics, including those based in retail stores has increased significantly over the last 12 to 18 months and the pace of growth is expected to accelerate. While estimates of current locations vary from 300 to more than 700, there could be as many as 1,500 in operation by the end of 2008 and 5,000 by 2012. According to a March 2007 poll by Harris Interactive, five percent of American households have members who have visited a retail clinic. Health insurance covered some or all of the costs associated with these visits more than 40 percent of the time, while 22 percent of those using the clinics had no health insurance at the time.

The Retail Clinic Concept

View AMA's 9 Measures for Store-Based Clinics

Retail clinics staffed by a nurse practitioner or physician's assistant see patients on a walk-in basis. The clinics are typically open seven days a week with hours into the early evening. Most visits last about 15 minutes, and prescriptions or over-the-counter medications can be purchased before leaving the store. Several insurers, including CIGNA, Humana, Aetna, and UnitedHealthcare, cover retail clinic services and copays are the same as a physician office visit.

The scope of practice, though it varies by clinic operator, state, and retail location, is limited. For example, retail clinics typically treat seasonal allergies but not asthma, and only a few treat diabetes or other chronic conditions. The earliest retail clinics emphasized "get well" care

View the Convenient Care Association website

for sore throats, bronchitis, bladder infections, and other common ailments, but most now also provide preventive services such as flu shots.

At many clinics, the staff use software with evidence-based treatment guidelines and a drug interaction database as a diagnostic tool. Centralized electronic medical records that include brief medical histories, test results, and prescriptions are also common.

The Clinic Companies

MinuteClinic, which was acquired by CVS in 2006, is the largest retail clinic provider, with more than 220 locations in 20 states and the only one accredited by the Joint Commission on Accreditation of Healthcare Organizations. TakeCare Health, which currently operates 51 clinics in five metropolitan areas, has treated more than 140,000 patients since November 2005. Following its acquisition by Walgreens in May 2007, the focus has shifted to a national roll-out of more than 400 clinics by the end of 2008. RediClinic operates 44 clinics in Virginia, Arkansas, Texas, and Georgia in partnership with three different retailers.

View the California Health Foundation Report: "Health Care in the Express Lane: The Emergence of Retail Clinics"

A web of partnerships among clinic companies and retailers is increasingly complex. Most retailers have agreements with multiple clinic operators, and the clinic companies often have a different retail partner in each market they serve.

One reason for this tangle of relationships is that retail health clinics are still very much in the experimental stage. According to a study completed for the California Health Care Foundation by Scott & Company, Wal-Mart is evaluating the business and care delivery models of 11 different clinic company partners. H-E-B, the largest food and drug retailer in Texas, and RediClinics have partnered to test the same clinic model in seven markets where the demographic and socioeconomic characteristics are quite different.

View the Harris Interactive poll on patient satisfaction at retail clinics

Physician Concerns

Physicians were initially concerned that the clinic companies had few formal ties to the medical community, but now many clinics have referral relationships with nearby physician practices, urgent care centers, and emergency rooms. Patients are referred if complaints are not appropriate to treat in the retail clinic environment or if patients do not have a medical home and area practices are accepting new patients. Under some arrangements, the referrals flow both ways as physicians send patients with quick, simple issues to the retail clinics.

The American Medical Association, the American Academy of Family Physicians, American Society of Internal Medicine and the American Academy of Pediatrics have issued similar guidelines related to retail clinics. All four organizations are particularly concerned about increased fragmentation of care, inadequate follow-up, and missed opportunities for preventive care. Although the American Academy of Pediatrics opposes retail clinics as a source of medical care for children of all ages, it has issued standards to ensure that children receive the best care possible.

Three clinic companies—MinuteClinic, RediClinic and Take Care Health—have announced that they support and would comply with these standards. Members of the Convenient Care Association, a new organization of retail clinic industry stakeholders, approved their own quality and safety standards at the group's first general meeting in March 2007.

More recently attention has shifted to physician supervision of physician extenders. State legislatures in Texas, Wyoming, Illinois, Pennsylvania, Florida, and Georgia have considered or recently passed legislation on this issue, though some sought to loosen restrictions while others imposed constraints. Currently, 23 states allow nurse practitioners to practice independently of physicians and 12 allow them to prescribe without physician supervision or collaboration. There are no state regulations on store-based clinics, and state health regulators have typically granted clinics extensive waivers from existing hygiene and safety restrictions.

How Are Hospitals and Health Systems Responding?

Hospitals and health systems face three options when it comes to retail clinics: stay out of the game, watch from the sidelines by providing medical oversight, or jump right in as retail clinic operators. As is often the case with new care concepts, experiences have varied. The largest health care provider-affiliated clinics are described in the table below:

Clinic	Health System	Number of Clinics	Partners
Aurora QuickCare	Aurora Health Care, Milwaukee, WI	20 in Wisconsin	Aurora Pharmacy, Wal-Mart, Piggly Wiggly
MEDPOINT express	Memorial Health System South Bend, IN	6 in Indiana and Indianapolis	Wal-Mart
Sutter Express Care	Sutter Health Sacramento, CA	6 in California	Rite Aid
CareWorks	Geisinger Health System Danville, PA	3 in Pennsylvania	Weis Markets, King's Market
Bellin Health FastCare	Bellin Health Green Bay, WI	3 in Wisconsin	ShopKo
AtlantiCare HealthRite	AtlantiCare Atlantic City, NJ	1 in New Jersey	ShopRite

At least eight hospitals and health systems provide medical oversight for retail clinics.

- **RediClinic:** Memorial Hermann Healthcare in Houston; Methodist Healthcare System in San Antonio; St. David's HealthCare in Round Rock, Texas; Hillcrest Medical Center and Bailey Medical Center in Oklahoma; and Bon Secours Health System in Richmond, Virginia
- **MedBasics:** Baylor Health Care System in Dallas
- **Take Care Health:** Advocate Health Partners in Illinois

However, SSM Health Care in Missouri terminated its contract with Take Care Health in response to concerns raised by its medical staff, particularly pediatricians.

Potential Benefits

Some providers are convinced that the retail clinics improve access to care for existing health system patients and generate referrals to affiliated primary care physicians when an unassigned patient needs follow-up care. The clinics may help reduce inappropriate use of emergency departments and can provide an alternative for patients who don't have a primary care physician or can't get an appointment. If processes and systems are in place for sharing medical records and treatment reports, continuity of care can be provided to a captured patient population.

Opinions about the appropriateness and potential viability of retail clinics cover a broad spectrum. As retail health centers continue to evolve and as more organizations test the market, the multiple clinical and business models will provide health care organizations the opportunity to evaluate alternatives that might best meet the needs of their communities. The potential benefits, though somewhat difficult to quantify at this early point, could be significant.

To learn more about retail health clinics, call Maria Finarelli at (703) 255-2889 or send e-mail to mfinarelli@hss-inc.com. You can also visit our website at www.hss-inc.com