

# Retail Clinics: Convenient and Affordable Care

Brief Analysis No. 686

by Devon Herrick

January 14, 2010

*The growth of the Internet, high-speed telecommunications networks and electronic medical records have made it possible for patients to seek care in a variety of clinical settings without losing the continuity of care a primary care provider offers. Health care entrepreneurs using these technologies in retail clinics are making medical care increasingly accessible and convenient, while raising quality and reducing costs.*



Dallas Headquarters:  
12770 Coit Road, Suite 800  
Dallas, TX 75251  
972.386.6272  
Fax: 972.386.0924

[www.ncpa.org](http://www.ncpa.org)

Washington Office:  
601 Pennsylvania Avenue NW,  
Suite 900, South Building  
Washington, DC 20004  
202.220.3082  
Fax: 202.220.3096



**Problem: Lack of Convenient, Low-Cost Care.** Many patients have difficulty finding a physician, obtaining an appointment or taking time from work for a traditional office visit. Access to medical care outside of the traditional office setting is particularly important for working patients with routine medical problems.

Hospital emergency room (ER) use is both costly and time-consuming. Often, however, the ER is the only way to reach a physician after hours. As a result, patients overuse emergency rooms:

- Of the 119 million visits to hospital ERs in a given year, 55 percent are for nonemergencies.
- A 2006 survey of California hospitals found that nearly half of ER patients (46 percent) thought they could have resolved their medical problem with a visit to their primary care physician, but were unable to obtain timely access. [See Figure I.]

Increasingly, however, patients have less costly and more convenient options for routine medical needs.

**Solution: Retail Clinics.** Walk-in clinics are small health care centers located inside big-box retailers (such as Walmart and Target) or in strip shopping center storefronts. They are staffed by nurse practitioners and offer a limited scope of services. The consulting firm Deloitte estimates there are 1,100 to 1,200 retail clinics currently. (For names and locations, visit [www.ccaclinics.org](http://www.ccaclinics.org).) and the number is likely to grow to 3,200 by 2014.

MinuteClinic is the pioneer of clinics operating within large retailers. It allows shoppers in places like CVS pharmacies to get routine medical services such as immunizations and strep tests without an appointment. Most clinics are open from 8:30 a.m. to 7:30 p.m. on weekdays and for more limited weekend hours. Prices — which are clearly listed — range from \$30 to \$110, and are often half as much as traditional medical practices charge. In addition, electronic medical records are kept for all visits.

Evidence suggests that the quality of routine care in walk-in clinics is comparable to, if not better than, treatment in traditional physicians' practices. In fact, MinuteClinic received high marks for quality of care in the recent Minnesota Community Measurement Health Care Quality Report. The report measured appropriateness and quality of care (according to evidence-based guidelines) for two common ailments among children:

## Retail Clinics: Convenient and Affordable Care

colds and sore throats. MinuteClinic scored 91 percent for the treatment of sore throats and colds compared to the average score of 86 percent. [See Figure II.]

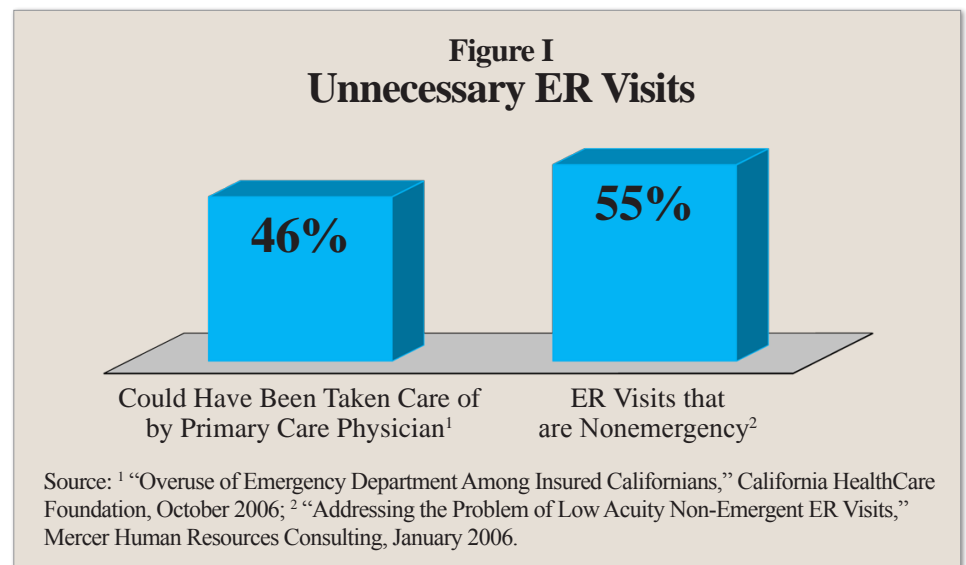
### **Solution: Urgent Care Clinics.**

Freestanding urgent care centers are another type of clinic. They fill the gap between small, pharmacy-based clinics and hospital ERs. They offer a broader scope of services than other retail clinics and are staffed by a mixture of licensed physicians, nurse practitioners and physician assistants.

Solantic, for example, is a chain of free-standing walk-in clinics based in Florida. The clinics are staffed by physicians, who can provide more extensive services than nurse practitioners. Solantic aims to provide convenient health care for a low price, offering services priced from \$65 to \$165.

### **Threats to Further Growth.**

Scope-of-practice laws and strict limits on the types of medical professionals allowed to practice independently pose a threat to retail clinics' growth. Studies show that nurse practitioners



and physician assistants can deliver certain routine medical care without the direct supervision of a physician. However, some medical societies want to limit their independence by requiring strict supervision by — and even the physical presence of — a physician. This would raise costs and severely restrict the services these clinics provide.

### **Health Care for the Uninsured.**

Retail and urgent care clinics are an attractive way to provide convenient,

affordable primary care to millions of low-income and uninsured patients who lack a medical home. Their services are reimbursed by most health plans, but about one-third of patient visits are paid out-of-pocket. Many of these cash-paying patients are uninsured. Allowing these clinics to provide a wide array of services could prevent many unnecessary ER visits.

**Conclusion.** Successful retail and urgent care clinics must provide consistent, high-quality service and share information with patients' primary care physicians. This requires the use of technology, including computerized protocols, decision-support tools and electronic medical records. Competition from these new clinics may lead traditional physician practices to adopt new technology, and offer extended and more convenient weekend hours. Moreover, low-cost, convenient clinics offer the best solution for improving access to care for the uninsured, individuals without a primary care physicians and workers in need of routine care.

*Devon Herrick is a senior fellow with the National Center for Policy Analysis.*

