

Special Video Report Transcript

Headline: Ateev Mehrotra of RAND Corporation Talks
About the Growth Potential of Retail Clinics

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"Retail clinics are clinics that are actually located within the confines of a retail store. So you can have examples in grocery stores, drug stores or big box stores like Walmart or Target. And they're different than urgent care centers because they are staffed by a nurse practitioner, and they have a really limited scope of care. Essentially, you can go there, and there's a menu on the front door, and they'll tell you what kind of conditions you can go there for, like urinary tract infections or where you might have strep throat. And an urgent care center, on the other hand, is a site that has a doctor or a staff of doctors, and you can go there for a broader scope of problems."

"We published a study in 2010 that compared the care that was at retail clinics to urgent care centers, emergency departments and doctors' offices. And we looked at it for three simple problems, like urinary tract infections, ear infections, that sort of thing. And what we did is that we looked at things such as quality of care and cost of care at these different care sites. We found on the quality side that the care provided at retail clinics was very similar to what we found at doctors' offices and urgent care centers, and in some cases even superior to what we found at emergency departments. When we say quality of care, we're talking about whether the care was consistent with the guidelines that have been published. So, did they order the antibiotic that's recommended? Or did they do the tests that were recommended? On the cost side, we found very big differences. We found that the care at retail clinics was about 30% to 40% cheaper than what we found at urgent care centers or doctors' offices. And about 70% to 80% cheaper than what we found at emergency departments. So there were significant cost savings at the retail clinic versus those other care sites. And that's from the perspective of a health plan, the person paying for the care; and also if the person is uninsured, it would be much cheaper also."

"You know, one of the things that's been raised is the question of whether retail clinics can be a solution to access issues in the underserved communities. And in many communities in urban areas as well as in rural communities, there's a shortage of providers, especially primary care providers. And can retail clinics sort of take on that burden? And certainly, they have that potential, because they provide an acute care option as opposed to the emergency department. So I think they would be attractive. On the other hand, in our research that we've done, we've found that retail clinics are

not often located in those communities, so it appears they have that potential, but they haven't ... that's not where they're focusing their attention right now."

"It is also a question of whether community health centers can partner with retail clinics as another way of providing care for their patients. And we know that the community health centers are particularly strapped sometimes in terms of providing good access to care, and demand greatly exceeds the capacity. And so there's a certain significant potential. The California HealthCare Foundation and others have pursued this work and published ways that community health centers could partner with retail clinics. And so there's that potential, but we don't see a lot of evidence there. There are certainly some intriguing possibilities. There's at least one community health center in Milwaukee that has opened up its own retail clinic in a store that's close by, close to the community health center."

"Another issue as we look forward is what impact will health care reform have on retail clinics. And there's thoughts that it's actually going to really greatly increase the demand for retail clinics. The idea is that the newly insured are going to do what everyone else does, go out and seek care, and particularly primary care. We already have a shortage of primary care providers in the United States, and they don't have enough supplies. So as more people seek primary care, there's going to be less opportunities, more delays in getting in to see primary care providers, and people are going to be looking for other care options -- such as retail clinics -- when something simple and acute comes up that they have to manage. And certainly, the retail clinic companies have appeared to be planning with that with the plans for expansion and the number of retail clinics that they have in the United States."

"Another interesting thing, as we look forward with health care reform and the increased demand at retail clinics, is what services they can provide. Retail clinics are currently, as I mentioned before, provide a pretty limited scope of care, simple acute problems. But in the last year and a half or so, we've noticed that retail clinics have started to expand the scope of care into chronic disease management -- for example, hypertension or high blood pressure or diabetes. And the idea is that they can supplement what primary care providers need. So a patient with diabetes, instead of going to their primary care provider for checking in to see how well their diabetes is controlled, could go to a retail clinic, get their testing, and that information would be sent to the doctor. And that potentially could be very convenient for the patient, because it's located in a store that they're already visiting as opposed to taking time off from work to go to their doctor, though that expansion to the scope of chronic disease management has not come without any ... it's garnered a lot of controversy, because I think primary care physicians are concerned about disrupting continuity of care with their ... that they have with the physician, and so there's some concerns about that. And the American Academy of Family [Physicians] has really been particularly concerned."