

Retail, urgent care clinics grow amid health-care changes

Elizabeth Kim

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Last week, Glen Feigin carved time out of his workday to get a physical exam. Several years ago, his Greenwich-based employer, a financial-services firm, started a wellness program that incentivized preventive care. Among the perks: Employees who elect to get a check-up receive a reduction in their insurance premiums. But rather than make an appointment with his primary care physician, the 54-year-old Scarsdale, N.Y. resident strolled from his office to CVS, where he signed up to see a nurse practitioner at MinuteClinic, the pharmacy chain's retail clinic. In doing so, he said, he avoided having to make an appointment, drive 20 minutes to his doctor's office in Westchester, and sit in a waiting room for an unknown length of time.

"To be able to come here is very convenient," Feigin said. "This is a 15-minute wait."

All across the country, walk-in medical clinics -- in the form of retail clinics and urgent care centers -- have been springing up to cater to those seeking more customer-friendly and time efficient healthcare. That demand, coupled with shifts in health-care policy that will result in a surge in the number of Americans with insurance, has fostered a rapidly expanding business.

"What is happening in Connecticut right now is reflective of what's going on throughout the nation in urgent care," said Alan Ayers, a vice president of strategy, execution and product management for Concentra Urgent Care, one of the biggest urgent-care chains in the industry.

Drawn to convenience, affordability

"Regardless of the business model, whether it's urgent care or retail clinics, consumers are looking for a place to go to have their medical problems solved," Ayers said. "While the shortage of primary care physicians in the state is certainly a factor, people are also drawn to the convenience and affordability that these businesses offer. These clinics usually don't require appointments and have both extended and weekend hours."

There are presently 1,615 retail clinics in the United States, according to Merchant Medicine, a company that tracks their growth. In 2006, there were only around 200. Predominantly run by drugstore and big box chains like Walmart, Target, Walgreens and CVS, retail clinics are typically staffed by nurse practitioners or physician assistants who perform basic medical procedures like flu shots, immunizations, annual physicals as well as treat minor illnesses like cold and flu.

Connecticut has 20 retail clinics, all of them run by CVS. The company has about 800 MinuteClinics in the United States and is looking to expand to 1,500 locations by the end of 2017, according to Nancy Gagliano, chief medical officer for CVS's MinuteClinics.

Urgent care in Stamford, Norwalk

The boom in urgent care is even more noticeable. The Urgent Care Association of America, an industry group, estimates that there are approximately 9,000 urgent care facilities nationwide, with at least 300 opening annually since 2008. About 55 percent are located in suburban areas. The bulk of the centers are run by doctors' groups, corporations and hospitals.

Considered a step above retail clinics in terms of breadth of services and expertise, urgent care centers usually have at least one doctor on staff. Unlike retail clinics, they can treat more severe yet non-emergency conditions like broken bones, cuts and burns and are sometimes equipped with X-ray and other lab equipment.

Concentra Urgent Care, the largest urgent care provider which is owned by the health insurance company Humana, has nine locations in Connecticut, including one in Stamford.

In recent years, private equity investors have fueled the expansion of urgent care centers. In November, Urgent Care of Connecticut, a Brookfield-based company with seven locations, including Norwalk and Ridgefield, announced in November a significant capital investment from Pulse Equity Partners and PineBridge Investments.

The company's chief medical officer, Dr. Jeannie Kenkare, said at the time that she plans to use the infusion of cash to "open numerous centers in locations already identified in Connecticut and elsewhere by the end of 2014."

New center opening

Doctors Express, a franchise-based urgent care business owned by a large national provider called American Family Care, has six locations in the state, with an opening slated for Bridgeport next month and followed by one in Stamford in mid-May.

Brad Radulovacki, the Doctors Express owner in Stamford, plans to renovate a 3,000-square-foot retail space at 3000 Summer St., a prominent corner near Bulls Head that formerly housed the longtime Jose Grant jewelry store.

A former financial executive at Oaktree Capital Management who lives in Greenwich, he said the decision to buy into the franchise came after extensive research. He assembled a 70-page report that included demographic and market data, analysis of the regulatory and real estate environment, as well as profit projections.

"There are many, many opportunities within this changing healthcare environment," Radulovacki said. "Entrepreneurial companies can find ways to add value."

Most retail clinics and urgent care centers will accept insurance, but the cost-savings vary and depend on the comparison. A trip to a retail clinic is generally less expensive than one to a primary doctor. Urgent care centers, meanwhile, charge on average slightly more than primary care doctors, but are much less expensive than emergency room visits.

Nonetheless, some have pointed out that the crowded field of medical providers has a downside.

"It's a mixture," said John Lynch, the director for the Center for Primary Care. The nonprofit works with primary care physicians across Connecticut to study models of care and promote education on health care issues. It was founded in 2002 by ProHealth Physicians, a primary care physician organization in the state that treats more than 350,000 people.

Sharing patient information

ProHealth operates its own urgent care centers that are open afterhours, including weekends.

"We're finding it much appreciated by our patients," Lynch said. "They are working and they really want to have access."

But the challenge, he said, is how different providers share patient information. In the case of ProHealth clinics, electronic health records ensure that patient history is shared among a network of primary care doctors.

"From that perspective, it's a win-win. It's enabled the patient to have better access, but it's access where their charts are being continually updated," he said.

There is also the question of quality of care. A 2009 study by RAND Corp. showed that there was no difference in quality offered to patients visiting retail clinics, physician offices and urgent care centers. Moreover, for ear infections, sore throats and urinary tract infections, retail clinics performed slightly better than hospital emergency departments.

And although a longstanding exclusive relationship with a primary care physician may be ideal, it is simply not practical.

"No primary care doctor is available 24/7," Lynch said. "These kinds of centers provide a solution from one perspective... [Y]ou try to get it so that the most appropriate care is done at the right spot. In some cases, you may end up having to do two visits." [urgent care/retail clinic + primary care doctor.]

Patients, he added, need the appropriate education to "balance all these things."

elizabeth.kim@scni.com; 203-964-2265; <http://twitter.com/lizkimtweets>

Staff writer Dirk Perrefort contributed to this story.