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Hospitals Begin to Move Into Supermarkets

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As walk-in clinics at stores like CVS and Wal-Mart offer convenient alternatives to doctors' offices and hospital emergency rooms, some hospitals are fighting back — with walk-in clinics at some of those same retailers.

Around the country, hospitals are now affiliated with more than 25 Wal-Mart clinics. The

Many primary-care doctors still denigrate the retail clinics as cheap, unworthy competitors. But hospitals see the clinics as a way to reach more patients and expand their business. And they argue that as President Obama and Congress warn of a shortage of primary-care physicians, the hospital-linked retail clinics are filling a vital public need.

The walk-in centers help clear hospital emergency rooms of people seeking only basic medical care, like antibiotics for strep throat. But in contrast to E.R.'s, which in many states cannot legally turn away those unable to pay, the retail clinics typically serve only patients with insurance or money.

And even if \$77 throat cultures or \$30 physicals do not represent a vast new source of profit for hospitals, retail clinics can play a marketing role, helping establish relationships with customers who may eventually need more lucrative in-hospital care.

Consumers who use the clinics are often "exactly the customers that hospitals want — women of child-bearing age," said Margaret Laws, a policy expert at the California Health Care Foundation. "The hospitals want to deliver babies," she said.

The idea of retail clinics took root about four years ago, and more than 1,000 are now operating around the country in drugstores, supermarkets and big-box discounters. But in the early going, few were linked to hospitals or medical centers. Now, though, about 1 in 10 has a hospital connection, according to Merchant Medicine News, an online newsletter for the clinic industry. And many more are planned.

Wal-Mart, for instance, which opened its 26th hospital-connected clinic last week in Republic, Mo., in the Ozarks, says it will add dozens more in the coming months. Its hospital partners include the

The Mayo Clinic, the largest private employer in Minnesota, says it opened its clinics after hearing employees and patients say they wanted more convenient treatment for minor medical problems.

"We think of ourselves as a new model of care; we meet our patients at least halfway," said Dr. David Herman, a Mayo executive who supervises the two retail clinics — along with six Mayo primary-care doctors' offices that are now open late and on weekends.

He said hospital and health care systems like Mayo should consider demand for walk-in clinics a sign that "maybe our primary-care practices in general are not as convenient and transparent as our patients want them to be."

Typically staffed by physician assistants or nurse practitioners, often supervised remotely by doctors, the hospital retail clinics can operate at relatively low cost compared with primary-care doctors' offices or emergency rooms. The lower

fees make them especially attractive right now, as an estimated 45 million to 50 million people in this country lack insurance, and the ranks of the unemployed are growing by the month.

According to a recent survey by Harris Interactive, 11 percent of adults said they or someone in their immediate family had used a store clinic in the last 10 months, up from 7 percent a year earlier.

"The economics in the health system are broken," said Dr. Brian Nester, a senior vice president at the

Lehigh Valley Health, in a collaboration with a big regional medical provider,

One recent afternoon, Melissa Marrero, 33, a social worker, and her husband Magdiel, 32, a security guard, walked in without an appointment to the King's Market clinic in an Allentown mall. The Marreros, who are uninsured, needed physicals for their application to become foster parents. The clinic charges \$30 for a physical.

"It was great — fast service and real convenient," Ms. Marrero said afterward.

Janelle Sharma, the nurse practitioner in charge, said that more than one-third of the clinic's patients were uninsured.

For several years the doctors affiliated with Lehigh Valley Health opposed the hospital's plan to start a supermarket clinic. The physicians relented after the Geisinger version showed up on their turf and Lehigh Valley Health promised that patients treated in stores would be urged to follow up with a local doctor.

Dr. Will Miller, the chairman of family medicine doctors with practicing privileges at Lehigh Valley Health's hospital in Allentown, said he still opposed the

clinics. They work against the ideal of a primary-care doctor's office that gets to know a patient's medical needs and condition over time and coordinates his or her care, he said.

Dr. John VanBrakle, the hospital's chairman of pediatrics, noted that the American Academy of Pediatrics, a professional organization, opposed the clinics for the same reason.

In some ways, the resistance of primary-care doctors might be more about principle than practice. As policy makers in Washington bemoan the shortage of such physicians, it may be difficult for doctors in many parts of the country to persuasively argue that the retail clinics pose serious competition.

Dr. VanBrakle said local pediatricians in the Lehigh Valley had not, in fact, noticed the retail clinic's having any impact on their practices. "The vast majority don't feel very strongly about it one way or the other," he said.

Dr. Herman, of Mayo, says that rather than buck the trend, primary-care doctors should learn from it. He predicts that small groups of primary-care doctors around the country will begin working with hospitals to offer some of the same inducements as store clinics — like convenient locations and more consumer-friendly office hours, including periods of walk-in care requiring no appointment.

The primary-care doctors, he said, should try to beat the store clinics at their own game. As for the ones that lack a hospital connection, "It will make it more difficult for them," Dr. Herman said.