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Big retailers have experienced a 10 percent decline in sales in recent months as consumers increasingly shop online. Walmart, the nation's largest retailer, is responding to these disruptive consumer trends by adding healthcare to their roster of in-store services. In North Carolina, Walmart currently leases acute care clinic space in Lumberton and Forest City to Southeastern Medical Center and Rutherford Regional Medical Center, respectively.

Retail Clinics

The marriage of retail and health services emerged around 2000. Currently, CVS Health, Kroger, Target, Walgreens, Walmart and other retailers operate some 1,600 in-store clinics nationally. Analysts predict this number could jump 25 to 30% from 2013 to 2015. CVS Health's Minute Clinic is driving this trend. CVS Health accounts for half off all current clinics and is planning to more than double its numbers by 2017.
Most retail clinics are staffed by physicians’ assistants or nurse practitioners, who offer basic services including flu and tetanus vaccines, physical exams for work or school sports and treatment of non-urgent illnesses like pink eye and sinus infections. Clinics post prices clearly and some share pricing online. For example, CVS Health’s Minute Clinic charges $39 for a sports physical. Most retail health clinics accept third-party insurance, Medicare and Medicaid.

**From Acute to Primary Care**

While most retail clinics want to be a part of the health care system continuum and some already offer primary care services, Walmart is the first to announce a desire to become a “primary care provider” (PCP). As a PCP, Walmart is able to offer a broader range of services—for example, chronic disease management—than other acute care clinics.

Walmart currently operates their PCP clinics in six locations across South Carolina and Texas. They charge $40 for a patient visit, and employees and their dependents covered under Walmart insurance pay only $4 for a visit. The clinics also accept Medicare and some stores are accepting Medicaid. Walmart is exploring the option of accepting other third-party insurance and opening new primary care clinics in other rural areas.

**Is Quality at Risk?**

Some have voiced concern over Walmart’s venture into primary care. For example, under their clinical model, a supervisory physician will only oversee compliance and prescription orders at one or two locations—not actually treat patients. Dr. Steven J. Kravet, president of Johns Hopkins Community Physicians, recently shared with the *New York Times* that this is unusual for facilities providing more complicated health services.

“I’m not saying there’s not a role for it. We just really have to find the right role,” Dr. Kravet said. “What you want is patients to get the right providers.”

The American Academy of Family Physicians also warned that retail clinics might miss an opportunity to address a patient’s more complex needs, especially in the case of children. Walmart did state that they plan...
to connect patients with more complex health issues to a primary physician within the community.

**Consumer Benefits**

Despite these quality concerns, the *Annals of Internal Medicine* published a 2009 study revealing that treatment for three common health conditions—urinary tract infections, middle ear inflammation and pharyngitis (an infection that causes most sore throats)—was similar across physician offices, urgent care centers and retail clinics. The costs of care for each episode averaged 34 percent lower at retail clinics compared to a doctor's office, and 29 percent lower than at urgent care centers. Some estimate that less expensive retail clinics will save the healthcare system approximately $800 million per year.

Finally, retail clinics are meeting a critical need. For example, they are one solution to address a current doctor shortage that is projected to reach 45,000 by 2020, as more uninsured select health plans under the Affordable Care Act. It is estimated that retail clinics will address capacity challenges at PCPs and hospitals by fulfilling 10.8 million visits per year. Of course retail also benefits, with an increase in prescription and over the counter sales, such as pain relievers.

While I am fortunate to have a terrific PCP, I have also enjoyed the convenience of a retail clinic, particularly when traveling. I anticipate we will continue to see more of these mutually beneficial partnerships emerge as we tackle some of healthcare’s greatest challenges.

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