Introduction
For-profit “retail” clinics have emerged as a popular health care delivery model that may significantly impact critical safety net challenges such as access to care and health care costs. Acknowledging the potential role retail clinics may play in the safety net, this fact sheet summarizes basic information on retail clinics and examines the role state health agencies can play in regulating these potential safety net providers.

What is a retail clinic?

Business Model
- Retail or convenient care clinics are for-profit entities that provide services for a limited scope of ailments* and are typically located within a pharmacy, grocery store or even a mass merchandise store.
- Retail clinics offer longer operating hours (compared to traditional primary care delivery sites): seven days a week and into the evening on weeknights.
- Nurse practitioners and physician’s assistants (with primary care physician oversight) make up approximately 95% of the retail clinic staffing.
- 97% of clinics accept private insurance; however, neither insurance nor appointment is necessary.

Patients and Services
- 70% of patients who visit retail clinics are Latinos and young mothers with children.
- 30% of patients report not having a primary health care provider. Their only other care option would have been an emergency room visit.
- 10 clinical ailments* represent 90 percent of retail clinic visits including:
  - Upper respiratory infection, sinusitis, bronchitis
  - Pharyngitis
  - Immunizations
  - Otitis media or otitis externa
  - Conjunctivitis
  - Urinary tract infections
  - Screening lab tests or blood pressure checks

Where are Retail Clinics?
Between 2008 and 2010 the number of retail clinic locations increased from 1,109 to 1,227 in 41 states. More than 90% of retail clinic users lived within 10 miles of a retail clinic, but fewer than 50% of non-users lived within a 10 mile radius. The map below shows the number of retail clinics per state. As of November, 2010, Florida had the highest number of clinics at 130. The Convenient Care Association represents retail clinics and tracks their expansion throughout the nation.
What Role Do Retail Clinics Play in the Safety Net?

There is ongoing debate over the impact of retail clinics on access to care, especially for vulnerable populations, and the medical home. Supporters of retail clinics, including clinic operators and nurse practitioner groups, contend that retail clinics accomplish the following:

- Lower costs when substituting for ER visits.
- Expand hospital service delivery areas for hospitals that own retail clinics.
- Provide evidence-based quality care under rigorous physician oversight.
- Start medical homes for patients who previously had no primary care provider.
- Offer flexibility as clinics can be retailer-, independently- or hospital- owned.

The concerns related to retail clinics, expressed by groups such as state health agencies, the American Medical Association, the American Academy of Family Physicians include the following:

- Retail clinics may disrupt the medical home and fragment care because patients:
  - May or may not receive follow-up care at a retail clinic or at a primary care provider.
  - May not receive information on how to find a primary care provider.
- Retail clinics may not provide adequate oversight of the nurse practitioners who staff these clinics to maintain patient safety and quality of care.
- Retail clinics may compete with community health centers for patients, reducing revenue for community health centers.
Retail clinics may create a conflict of interest by overprescribing prescription and over-the-counter medications and providing discount plans for the pharmacy housing the retail clinic. The patient is never put into a system of providers and consequently might receive discrepant treatment.

What are the Roles of the State Health Agency and State Government?
Currently four states have enacted legislation to regulate retail clinics, either through a state health agency (two states) or some other state agency.

State health agency roles specific to retail clinics:
- Massachusetts issues permits to operate retail clinics.
- Arizona licenses retail clinics as outpatient treatment centers.
- Florida regulates retail clinics through its Agency for Healthcare Administration.
- Rhode Island has established regulations through its Office of Facilities Regulation.

Other functions currently carried out by state health agencies that impact or intersect with, but are not specific to, retail clinics:
- Facilities licensing if the state regulates physicians’ offices.
- Designation of Medicaid providers if the state health agency is a super state health agency.
- Scope of practice regulation for nurse practitioners and non-physician medical personnel.
  - All 50 states and D.C. determine the scope of practice for non-physician medical practitioners.
- Regulating primary care physician oversight.

This document is a part of a larger series of fact sheets on the safety net.

*This publication was made possible by grant number 5-U30-10-001 from HRSA. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the HRSA. ASTHO is grateful for their support. This paper was researched and prepared for ASTHO by Frannie Steinlage, with assistance from Pellavi Sharma, MPH.*

For additional information about this publication contact: publications@astho.org

Resources
1. Merchant Medicine [www.merchantmedicine.com](http://www.merchantmedicine.com)
2. Convenient Care Association [www.ccaclinics.org/](http://www.ccaclinics.org/)

Association of State and Territorial Health Officials
2231 Crystal Drive | Suite 450 | Arlington | Virginia 22202
202-371-9090 │ www.astho.org

March 2011
7. Web cast “Retail Clinic Trends in the United States” May 2008: Mary Kate Scott, Linda Khachadourian of Sutter Health and Dave Mandelkern of QuickHealth