

## **CASE ASSIGNMENT: Minute Clinic**

### ***Serving the Sick Where They Shop***

Susan Lyons woke up on a Saturday morning with all the symptoms of strep throat, but her doctor's office was closed for the weekend. Jeremy Brown struggled to get through his workday because of a sinus infection, but he didn't have time on his lunch break to drive across town to see his family physician. Arun Kumar went to his doctor for a flu shot but was turned away because they had already run out of the vaccine. In the end, all three turned to MinuteClinic for treatment instead.

MinuteClinic healthcare centers are open seven days a week with later hours than traditional doctors have. They don't require appointments and can provide patients with a diagnosis and prescription within 15–45 minutes, tops. The fact that they are located in convenient retail settings, usually attached to a CVS drugstore where the prescription can be filled in one stop, adds to their growing appeal. "It was such a pleasant experience," Arun Kumar says after paying \$30 for a flu shot at MinuteClinic, "that I figured that I would be happy to go back there for minor ailments and avoid the long waits at my doctor's office."

MinuteClinic, which opened its first location in 2000, was the pioneer of in-store clinics and an innovator in what industry analysts call the "retailization of healthcare." Considering the growing need for cheaper, more accessible healthcare, it's no surprise that the company is expanding so quickly. CVS acquired MinuteClinic in July 2006 and announced plans to grow from 128 locations to nearly 500 by early 2008.

Staffed by nurse practitioners and physician assistants who specialize in family healthcare, MinuteClinic provides basic medical services for common ailments such as ear infections and strep throat. Some locations also offer vaccines and physicals. An electronic medical records system streamlines the process for each patient by generating educational materials, invoices, and prescriptions at the end of the visit. Electronic records also make it possible to instantly transfer information to the patients' primary physicians. MinuteClinic prices range from about \$50–\$80, making a visit about half as expensive as one to a doctor's office.

MinuteClinic CEO Michaelc. Howe says, "MinuteClinic is an example of how creativity and innovation can be brought to our struggling healthcare system to affect change and make basic care more accessible and affordable for today's consumer." The American Medical Association (AMA) has expressed reservations, however. Board member Dr. Rebecca Patchin explains, "The AMA is concerned about patients who would seek care in a freestanding clinic and have a more serious disease that would not be initially diagnosed or diagnosed quickly." Howe insists they are not trying to replace the traditional family physician, however; they simply want to offer a convenient, low-cost alternative for patients with minor illnesses. Patients exhibiting symptoms outside of the clinic's scope of services or showing signs of a chronic condition are referred elsewhere.

MinuteClinic's ability to handle widespread health emergencies within a community was tested when Minnesota was hit with a string of flu-related deaths in 2007. As a record number of residents sought vaccinations, MinuteClinic quickly put a plan in place to address the crisis and meet the unexpected demand. Instead of boosting staff at all facilities in the Minneapolis area, the company chose a hub-and-spoke approach for better inventory control, offering the shots in only eight MinuteClinic locations. They hired supplemental nursing staff for those clinics and administered up to 300 shots a day in each. The lines became so long that they created children's areas to make the wait easier for families, adding televisions, videos, and coloring books to keep little ones entertained and fostering what Donna Haugland of MinuteClinic describes as "a community-building environment."

CEO Howe praised the good work they did during the flu crisis: "It is amazing what practitioners can do in the right environment and given the chance." Patients agree. The response to the clinics has been overwhelmingly positive. A 2006 Harris Interactive poll reported that 92 percent of the people who visited a retail clinic were satisfied with its convenience, 89 percent were satisfied with the quality of care they received, and 80 percent were satisfied with the cost.

Even the AMA is advising traditional physicians to consider changing their practices to better compete with retail clinics by extending office hours, offering same-day appointments, or even doing away with appointments altogether. AMA Board member Patchin admits, "With their quick and easy access and low prices, the store-based clinics are obviously meeting a need."

**SOURCES:** Chris Silva, "One-Minute Drill," *Employee Benefit News*, April 15, 2007; Antoinette Alexander, "MinuteClinic Steps Up to Curb Flu Crisis in Twin Cities," *Drug Store News*, March 19, 2007; Pallavi Gogoi,

“Drugstore Clinics Are Bursting with Health,” *Business Week Online*, July 18, 2006; “Most Patients Happy with In-Store Clinics,” *Progressive Grocer*, March 30, 2007; Michelle Andrews, “In-Store Clinics Give Doctors Heartburn,” *U.S. News & World Report*, July 20, 2007; [www.minuteclinic.com](http://www.minuteclinic.com).