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THE HEALTH OF AMERICA REPORT

RETAIL CLINIC VISITS INCREASE DESPITE USE LAGGING AMONG INDIVIDUALLY INSURED AMERICANS



HealthCore

This report was written by HealthCore, a wholly-owned and independently operated health outcomes subsidiary of Anthem, Inc.

BLUE CROSS BLUE SHIELD, THE HEALTH OF AMERICA REPORT

EXECUTIVE SUMMARY

Visits to retail health clinics — a low-cost option for consumers seeking convenient care for simple, acute conditions — have nearly doubled over the past five years among commercially insured Blue Cross and Blue Shield (BCBS) members, increasing from 12.2 visits per 1,000 members to 24 per 1,000 members. This upward trend was fueled by consumers who obtained health insurance through their employers. By contrast, usage by new individually insured members has lagged since the Affordable Care Act (ACA) marketplaces started offering coverage in 2014.

Other key retail clinic findings from BCBS data include:

- As many as 29.8 percent of emergency room (ER) visits could potentially be treated in retail clinics.
- Consumers saved money for routine services at retail clinics; out-of-pocket costs for visiting a retail clinic for minor acute conditions were slightly lower than for visiting a physician's office and much lower than an ER visit.
- In 2015, the rate per 1,000 members at which women visit retail clinics was 72 percent higher than the rate for men.
- Visits to retail clinics spike in winter months and dip during the summer.

**STUDY FOUND...**

Visits to retail clinics for the past five years among commercially insured BCBS members **HAVE DOUBLED**

29.8%

ER VISITS CAN POTENTIALLY BE TREATED IN A RETAIL CLINIC

72%

WOMEN'S RATE OF USE HIGHER THAN MEN

Background

At the beginning of 2016, there were more than 2,000 retail clinics located in pharmacies, grocers and “big box” stores. They provide care for simple, acute conditions — such as bronchitis and flu — and also administer services such as vaccinations or certain tests. Typically staffed by nurse practitioners, they offer convenient evening, weekend and walk-in hours.

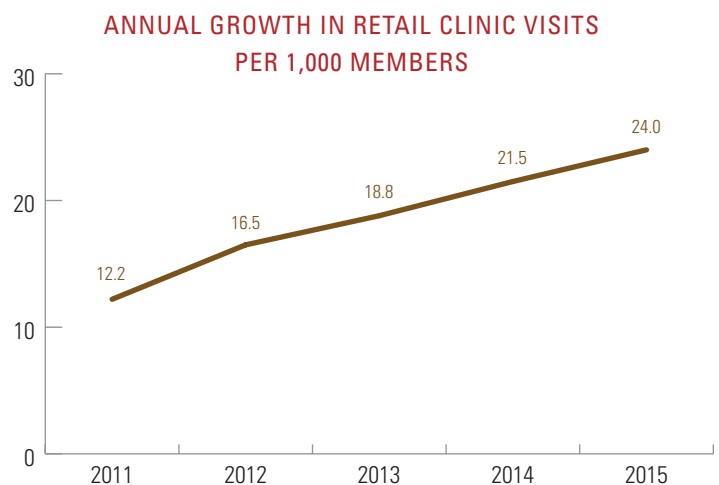
Prices for retail clinic visits are significantly lower than a visit to the ER and slightly less expensive than a doctor’s office visit. Despite the price differences, the quality of care for the conditions most commonly treated in retail clinics has been shown to be at least as good as what is provided in traditional settings.¹ As such, most health insurance plans cover retail clinic visits. Despite some concerns about continuity of care,² retail health clinics offer some attractive quick care advantages.



Trends in Use of Retail Clinics

Over the five-year study, the rate of retail clinic visits almost doubled among commercially insured members (from 12.2 per 1,000 members to 24.0 per 1,000), with especially fast growth from 2011 to 2012 and slower, steadier growth thereafter. The average annual growth rate in visits to retail clinics (19 percent) was much higher than that of physician office or ER visits (less than 1 percent).

Despite growing use, the level of utilization of retail clinics is still low compared to other acute outpatient care settings, at less than 1 percent. This is due to the number of retail clinics being relatively small compared to the number of office-based and ER physicians, who also see a much wider variety of conditions and more complicated patients than retail clinic staff see.



1. Shrank WH, Krumme AA, Tong AY, Spettell CM, Matlin OS, Sussman A, Brennan TA, Choudhry NK. Quality of care at retail clinics for 3 common conditions. *Am J Manag Care.* 2014 Oct;20(10):794-801.

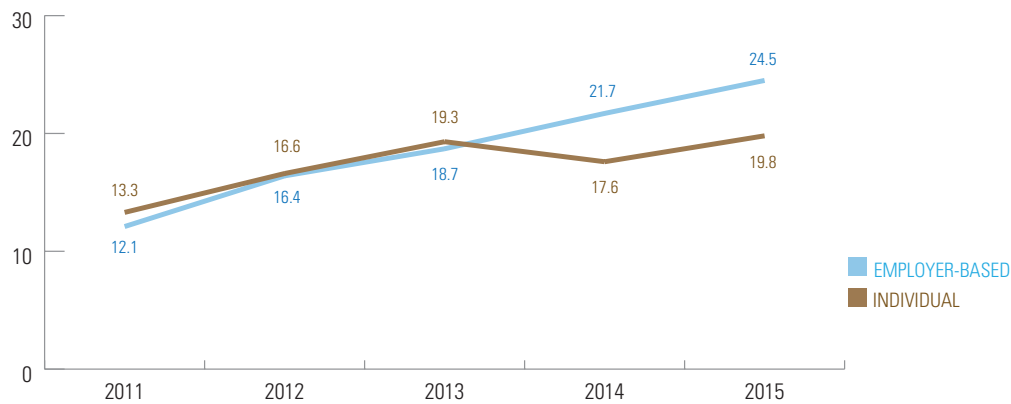
2. Pollack CE, Gidengil C, Mehrotra A. The Growth Of Retail Clinics And The Medical Home: Two Trends In Concert Or In Conflict? *Health Aff.* 2010 May;29(5): 998-1003.

Utilization is Lower among Individually Insured Members

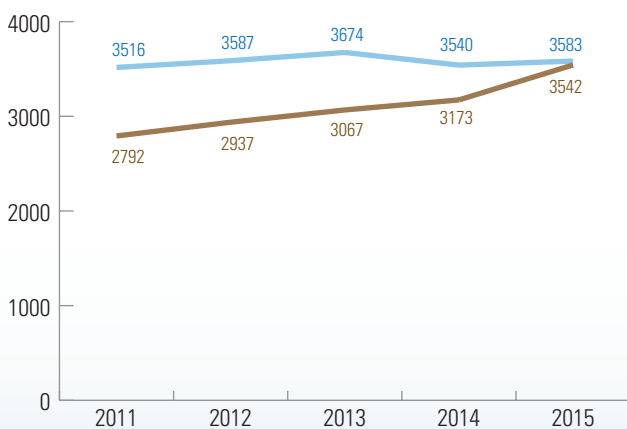
Among the commercially insured, substantial variation in the use of retail clinics exists between those insured through an employer and those purchasing insurance on the individual market. This variation began in 2014 with the launch of the Affordable Care Act's public exchange marketplaces, resulting in 19 percent lower use of retail clinics among individually insured members in 2015 compared to those who get coverage through their employer. This divergence of trends is even more striking when contrasted with a significant increase in physician office visits, and especially with an increase in ER visits, that occurred for individual members over the same time period. From 2013 to 2015, the growth rate in retail clinic visits per 1,000 members in the individual market was only 2.6 percent, compared to strong growth rates in utilization of office and ER visits of 15.5 percent and 35.8 percent, respectively.

RETAIL CLINIC, PHYSICIAN OFFICE AND ER VISITS FOR INDIVIDUALLY INSURED VERSUS EMPLOYER-BASED MEMBERS

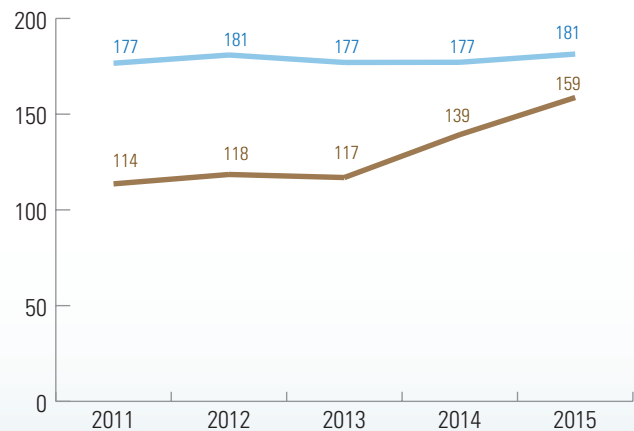
Retail Clinic Visits/1000 Members



Office Visits/1000 Members



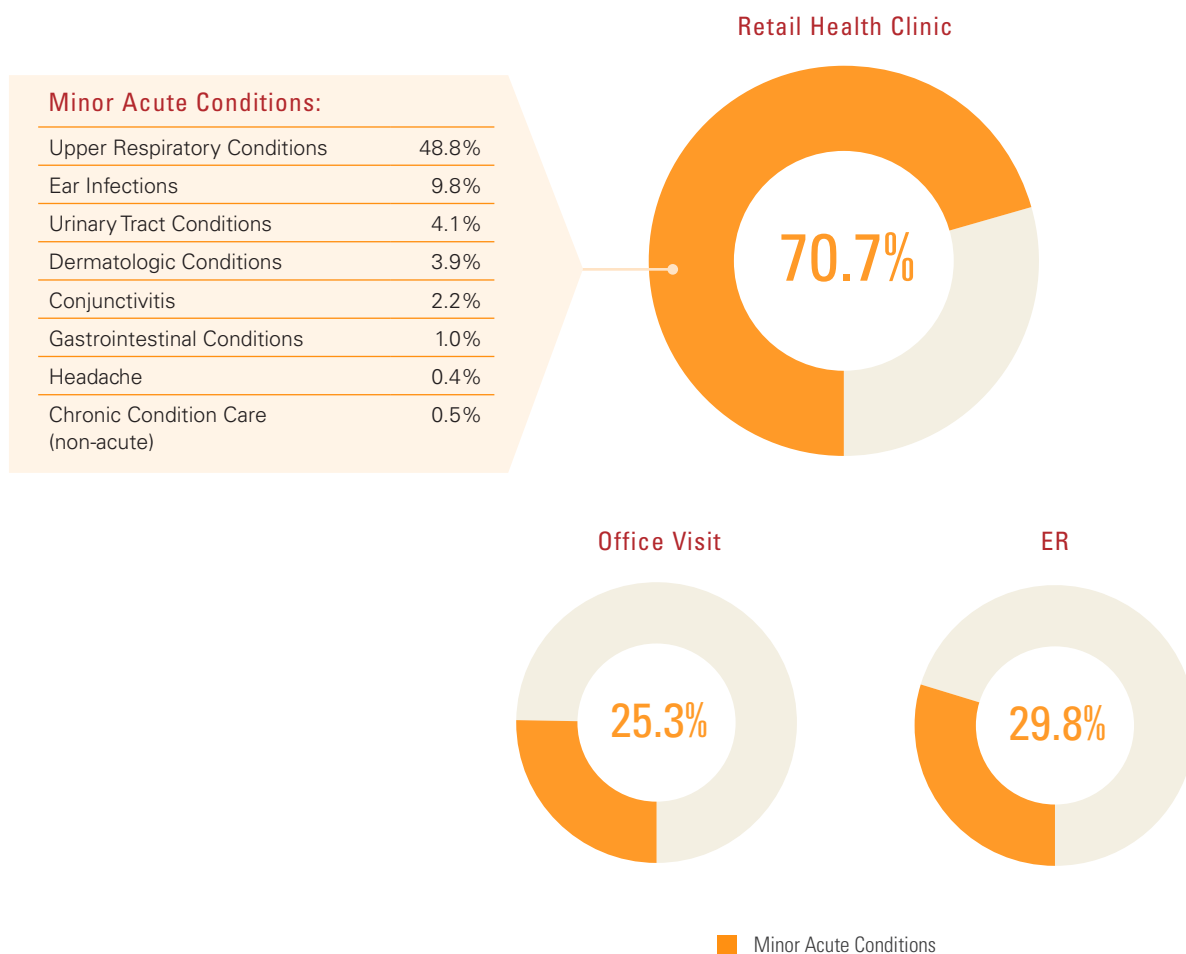
ER Visits/1000 Members



Retail Clinics Treat a Wide Variety of Minor Health Issues

Retail clinic advertising focuses on their ability to treat symptoms of conditions that often need to be addressed quickly and can typically be treated and resolved with reassurance or a prescription when appropriate. These symptoms and conditions include bronchitis and coughs; earaches; indigestion and heartburn; nausea; vomiting and diarrhea; pink eye; flu-like symptoms; sinus infections and congestion; common cold symptoms; and sore or strep throat. Analysis confirmed that those minor acute conditions constitute the majority (70.7 percent) of cases seen in retail clinics.

PROPORTION OF VISITS BY SITE OF CARE IN CALENDAR YEAR 2015³



3. Subset of membership with additional data availability — covers approximately 35 percent of all membership included in rest of the report.

Retail Clinics in Relation to Other Care Settings

ER utilization and physician office visits for minor conditions were analyzed from 2011 to 2015 to better understand the degree to which retail clinics are serving as an alternative source of care for acute minor conditions.

Previous [research](#) has shown that ER services were increasing substantially in the period prior to 2011. However, as the table below shows, ER use has largely stabilized since 2011 – even with an influx of ACA members who are more likely to use the ER. This leveling off implies that consumers may be becoming aware of a range of alternative quick care options, which include retail clinics, as well as urgent care and telehealth.

In contrast, physician office visits for acute minor conditions have declined over the same five-year period by more than 13 percent despite total physician office visits remaining largely steady. This may also indicate that patients are turning increasingly toward more convenient care settings to address these conditions. However, since the number of retail clinic visits are still a small portion of total routine care visits (just 24 per 1000 in 2015), they are, at best, accounting for a small proportion of the overall decline in physician office visits.

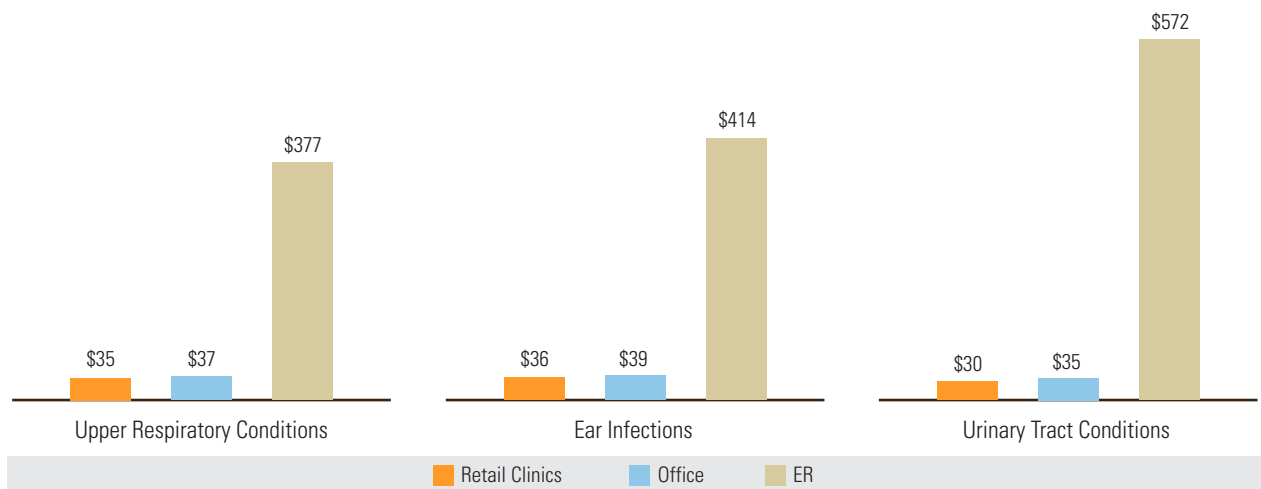
VISIT RATES FOR OTHER CARE SETTINGS (FROM 2011 TO 2015)

Year	ER Visits for Minor Conditions per 1000 Members	Physician Office Visits for Minor Conditions per 1000 Members	Total Physician Office Visits for all conditions per 1000 Members
2011	53.0	1,123	3,800
2012	53.0	1,069	3,726
2013	53.5	1,069	3,906
2014	55.9	1,009	3,819
2015	54.3	973	3,835

Retail Clinics are More Affordable

Nearly 30 percent of all ER visits were for conditions that could potentially have been treated in a retail clinic, e.g. upper respiratory conditions, ear infections and dermatologic conditions.⁴ The recent growth in the prevalence of high-deductible health plans has created more sensitivity to out-of-pocket costs and is changing where consumers choose to receive care. In 2015, the out-of-pocket cost of visiting a retail clinic for these types of minor acute conditions were lower than visiting the physician's office and much lower than visiting the ER. In the case of upper respiratory infections, a top volume condition for retail clinics, the average out-of-pocket cost for retail clinic visit was \$35, a physician visit was \$37 and a trip to the ER cost \$377. Differences in the total cost (i.e. the sum of what the health plan paid and what the patient paid) were also significant, and those patterns carried through all of the conditions typically treated in retail clinics.

OUT-OF-POCKET COST PER VISIT BY CONDITION AND SETTING IN 2015⁴

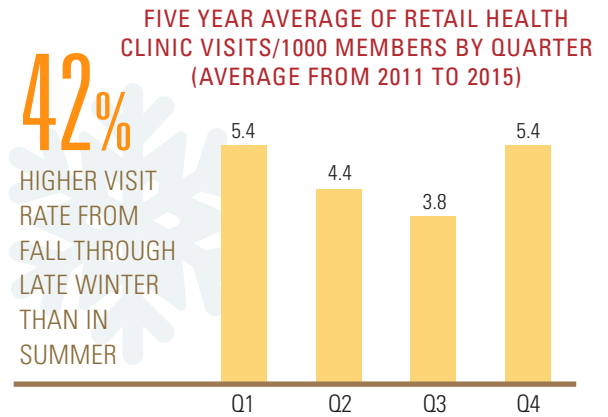


Out-of-pocket costs are especially important for individually insured members, who often have plans with higher deductibles and therefore the highest cost savings potential. In this analysis, the out-of-pocket costs for a retail clinic visit to treat an upper respiratory condition averaged \$41 while going to an ER cost \$650 — much more than the \$364 that an average employer-insured member paid out-of-pocket for an ER visit.

4. Subset of membership with additional data availability — covers approximately 35 percent of all membership included in rest of the report

Retail Clinic Use Varies by Season, Gender and Age

Utilization of retail clinics also varies considerably by other factors, notably seasonality, and gender and age of the patient. During January through March, use of retail clinics peaks, in line with the increase of predominantly cold-weather conditions such as influenza, upper respiratory issues and their complications (e.g., ear infections). The seasonality of visits is quite striking, with a 42 percent higher visit rate from January through March and October through December (fall through late winter) than from July through September (summer) on average for all five years in the study period.



In 2015, the rate per 1,000 members at which women visit retail clinics was 72 percent higher than the rate for men — a difference much higher than the typical 20 to 30 percent difference in overall health care utilization by gender.⁵



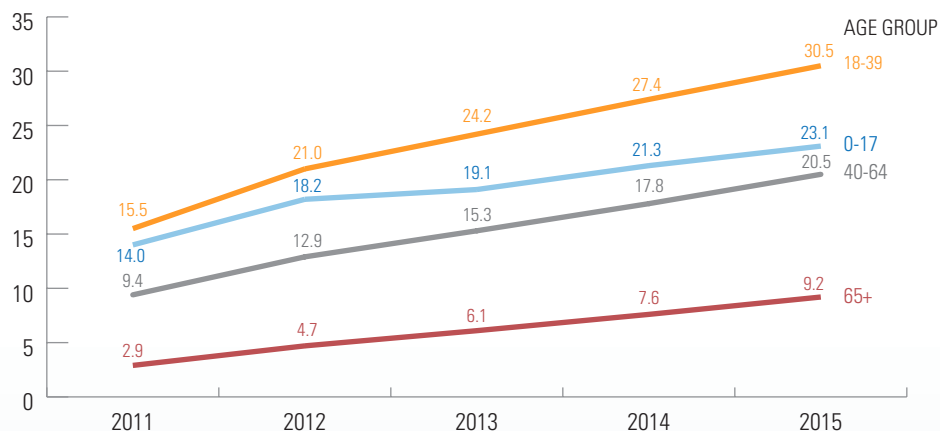
25% MORE LIKELY TO USE **ER**

72% HIGHER USE RATE OF **RETAIL HEALTH CLINICS** THAN MEN

38% MORE LIKELY TO USE **OFFICE VISIT**

Use patterns by age also deviate from what is typically observed in other health care settings; young adults are frequent users of retail clinics, visiting almost three times as much as older patients, even though older age groups use more health care overall.

RETAIL HEALTH CLINIC VISITS/1000 MEMBERS BY AGE⁶



5. CylusJ, Hartman M, Washington B, Andrews K, Catlin A. Pronounced gender and age differences are evident in personal healthcare spending per person. Health Affairs 2011 January 30(1):153-60.

6. 65+ year old category includes non-Medicare members only.

CONCLUSION AND DISCUSSION

Although they comprise only a small portion of all outpatient services, retail clinics are becoming increasingly popular options for those seeking care. They treat a relatively small set of conditions — mostly minor acute infections — offering convenience, high-quality care and favorable prices compared to an ER or doctor's office visit. Surprisingly, despite facing higher out-of-pocket costs for ER visits, individually insured members appear to be underutilizing retail clinics' benefits. Given this fact, greater education efforts targeting those new to health insurance may be warranted as a way to increase awareness of the relative convenience and services offered by retail clinics and to clarify insurance plans' coverage of retail clinic visits.

METHODOLOGY NOTES

This is the tenth study of the Blue Cross Blue Shield: The Health of America Report series, a collaboration between Blue Cross Blue Shield Association and Blue Health Intelligence, which uses a market-leading claims database to uncover key trends and insights into health care affordability and access to care.

This report was written by and also includes medical claims data from HealthCore, a wholly-owned and independently operated health outcomes subsidiary of Anthem, Inc.

The report examines the medical claims of more than 60 million BCBS commercially-insured members per year (non-Medicare) from 2011 through 2015 and compares the costs of receiving care for conditions at retail clinics relative to physician office and ER visits among enrollees.⁷ This report includes visits⁸ to national chain retail health stores, which account for more than 90 percent of all visits to retail clinics. For cost analysis, both total cost (sum of plan paid and out-of-pocket) and out-of-pocket amounts were analyzed separately to understand the impact to both the health system overall and to the patient.

For more information and to read past reports, visit www.bcbs.com/healthofamerica.

7. Members with Medicaid, Medicare, or FEP insurances are excluded.

8. Only visits that included an evaluation and management code billed by clinician were included in the data, unless specified differently. Visits for sole purpose of testing or vaccinations were excluded through most of the report—again, unless reported otherwise.