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The Rise of Unregulated Convenience Care

Convenience care clinics, including *urgent care centers* (UCCs) and retail health clinics, have seen increasing popularity and attention in recent years. As the number of UCCs and retail health clinics in the U.S., as well as the number of patients they serve, grow, some experts have called for stronger state regulation and oversight in order to ensure that these convenience care centers are providing access to all, including vulnerable communities, without discrimination.

During the COVID-19 *public health emergency* (PHE), UCCs and retail health clinics have been central providers of COVID-19 testing and are likely to play an important role in COVID-19 vaccination.[1] In fact, CVS Health alone gave out 6 million tests in the first six months of the COVID-19 PHE.[2] A large proportion – approximately 70% – of those tests were given to new CVS Health patients, an indication of the massive influx of business that these centers have seen because of the PHE.[3] The *Centers for Medicare and Medicaid Services* (CMS) further broadened the list of acceptable ambulance destinations to include UCCs during the pandemic.[4] This regulatory change allowed for patients to be brought to UCCs, among other alternative destinations, in the event that transporting a patient to a hospital emergency room was not medically appropriate because of the conditions in that hospital.[5]

Even before the PHE, however, these convenience care clinics were growing at high rates. Only 700 retail health clinics existed in 2013, compared with more than 2,700 in 2019 (a nearly 286% increase); similarly, the number of UCCs increased from 6,100 in 2013 to 9,616 by late 2019 (about a 58% increase).[6] Additionally, in 2019, UCCs generated nearly $28 billion in revenue.[7] The growth in UCCs has been partially attributed to a better work-life balance for physicians, as urgent care work comes with no on-call scheduling or night or weekend shifts.[8] Patients also do not expect, or make appointments, to see particular physicians at a UCC, meaning that physicians are not expected to work during any off hours.[9]

Demand for convenience care services has also increased because of the cost-saving benefits and efficiency of these clinics.[10] Reducing the burden of health costs has become a strong focus over the past several years, as national health expenditures continue to increase year after year.[11] Studies have shown, in fact, that UCCs may be up to ten times less expensive on average, even for patients who receive the same diagnosis.[12] A growing number of consumers on high-deductible insurance plans has also likely contributed to the rise of cheaper options like retail health clinics or UCCs.[13] Further, fewer Americans have a primary care provider, and these clinics may provide a desired alternative for affordable care for those individuals.[14] Beyond affordability, retail health centers and UCCs are more convenient, with 70% of patients waiting less than 20 minutes at UCCs and nearly 94% being served within 30 minutes.[15] By contrast, patients admitted to a hospital wait over 100 minutes for a hospital room on average.[16]

Though they have existed for many years, UCCs present unique challenges to regulators. Because these enterprises can range from a single office, to practices integrated with a hospital or multi-specialty groups, to an extension of a physician office, the size, reach, and needed infrastructure vary greatly from clinic to clinic.[17] In 2015, most state regulations in place for UCCs focused primarily on defining urgent care via naming conventions, included services, and accreditation standards.[18] Still, as of the date of publication, most states do not issue facility licenses for convenience care entities, with these centers instead operating under an individual physician's license or hospital license.[19] Only five states currently issue licenses to UCCs, with five additional states issuing licenses only in certain cases.[20] This lack of regulation means that there is often no charity care policy offered to consumers, so patients whose insurance is not accepted may receive unexpected medical bills.[21] Further, there is concern about restrictions on reproductive and sexual health services and coverage at centers operated by health systems with religious affiliations, as well as equitable access, as convenience care centers are still largely absent from low-income areas and instead populate areas with higher rates of private insurance coverage.[22]

With the recently-passed legislation that provides more protections from surprise billing (which bill takes effect in 2022)[23] and the increased attention given to convenience health centers as a result of the COVID-19 pandemic, it is likely that regulation in this industry will be addressed in the coming years. Some advocates suggest that state *certificate of need* (CON) programs be updated to include UCCs and retail clinics as a way to

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ensure that these entities are equitably distributed to meet the needs of all individuals in a given community.[24] What future regulatory processes around these clinics looks like remains to be seen, but encouraging nondiscrimination policies, continuum of care coordination with other health services, and equitable services to low-income neighborhoods are top priority for regulation advocates.[25] Providers who would consider entering the area of convenience care, in order to provide more time- and cost-effective care to their patients will want to stay abreast of any new regulatory developments that are likely to affect UCCs and retail health clinics in the near future.

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