



Convenient Care Association



**RediClinic**<sup>®</sup>

Great healthcare. Great experience.<sup>™</sup>



# Rapid Industry Growth

- From ~150 clinics when the Convenient Care Association (CCA) was founded 1 ½ years ago to more than 950 today
  - Treated more than 2.5 million patients in 36 states
  - ~1,500 projected by year-end 2008; 2,500-5,000 by year-end 2010
- Why?
  - Consumers love it
    - 7-16% have tried it and 34-41% say they intend to
      - Demand is driven by inability to easily access affordable primary care
      - Demand will increase with growing primary care physician shortage and near-universal coverage
    - >90% customer satisfaction
  - Other key constituencies are embracing it
    - Retailers
    - Third-party payers
    - Policy-makers
      - Including presidential candidates, state governors, and federal government agencies

# What Could Slow Our Growth? (#1)

- Systemic clinical quality issues
- Not likely due to...
  - Overqualified NPs and PAs
  - Limited scope of practice
  - Evidence-based protocols
  - EMRs
  - Compliance and outcome studies
  - Physician oversight
  - Local referral networks
  - Regulatory compliance
- CCA role
  - Set & enforce Quality & Safety Standards

# What Could Slow Our Growth? (#2)

- Shortage and/or increased cost of Nurse Practitioners (NPs) and Physician Assistants (PAs)
- Manageable due to...
  - Adequate current supply
  - Strong appeal of new career option
    - 74% of NPs working in CCCs say they are extremely or very satisfied with their jobs
  - Longer-term expansion of APN educational capacity
- CCA role
  - Develop and implement Provider Task Force recommendations

# What Could Slow Our Growth? (#3)

- **Additional regulatory impediments** (clinic licensure requirements, restrictions on NP/PA scope of practice and prescriptive authority, physician oversight requirements, corporate practice of medicine prohibitions, etc.)
- Ultimately will fail due to...
  - Growing consumer demand for easier access to high-quality, affordable healthcare
    - Including millions of uninsured consumers and those who lack a 'medical home'
  - High patient satisfaction with convenient care providers
  - Proven quality of care
  - Growing third-party payer acceptance of convenient care providers
- **CCA role**
  - Educate key constituencies, including policy-makers and other healthcare providers

# What Could Slow Our Growth? (#4)

- **Operator/business model failure**
  - Underestimated capital requirements
    - Low capital expenditures but high fixed costs
  - Limited scope expansion opportunities
  - Danger of oversaturation
- Some operators will survive/prosper due to...
  - Consolidation
  - Increased consumer and third-party payer acceptance
    - Drives traffic and creates pricing power
  - Creative/appropriate scope expansion
  - More efficient promotion and operations
  - Increased support from retailers and other healthcare providers

# What the Future May Hold

- The Convenient Care industry will continue to grow, though maybe not as fast as some have predicted
- Limited scope creep
  - Governed by NP expertise and need for consistent 15-minute visit
  - Large future role in preventive care
- Physicians will continue to move up the value chain
- Convenient Care clinics will eventually become one of consumers' main portals into the healthcare system

# For More Information

Contact:

Webster Golinkin

Chief Executive officer, RediClinic, LLC

President, Convenient Care Association

(713) 335-1723

[web.golinkin@rediclinic.com](mailto:web.golinkin@rediclinic.com)

or

Tine Hanson-Turton, MGA, JD

Executive Director

Convenient Care Association

260 South Broad Street, 18<sup>th</sup> Floor

Philadelphia, PA 19102

(215) 731-7140

[tine.hansonturton@convenientcareassociation.org](mailto:tine.hansonturton@convenientcareassociation.org)

[www.convenientcareassociation.org](http://www.convenientcareassociation.org)



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