

Access and Price Transparency: The Real Innovation and Disruption of Retail Clinics

Tracy Baldwin 11 January 2017

Retail clinics came along to provide convenient, high-quality care at very affordable prices for everyday consumers. And they did! Nobody could imagine on-demand healthcare until retail clinics delivered it. Nobody could imagine transparency in healthcare until retail clinics delivered it. Yet, there is still a long way to go as the majority of consumers aren't aware of where these clinics are and all the services they provide. Which is why we are building RokketMed, the Expedia for healthcare.

As our lives became more hectic with longer commute times and longer work days due to non-stop email traffic, our most important commodity became time. Who has the time to take four hours out of their day to travel to a particular doctor, wait in their office, be seen, and travel back to work. Nobody! Retail clinics, with essentially on-demand walk-in clinics, are changing the way we think about where and when we access care. Most importantly, WHEN it is convenient for us. RokketMed was built to deliver a consumer-friendly application that would allow

consumers to easily find the care they need and immediately see a list of retail clinics, virtual providers and even urgent cares closest to them. Consumers can see the price of the service, insurance the clinic accepts, and even get in queue or schedule an appointment.

How did this come to be and is it working? With any innovation there is a period, oftentimes years, in piloting concepts, pivoting based on market learnings, driving awareness and therefore demand, and working the business model. Accenture's recent analysis on retail clinics in their Insight Driven Health piece correctly chronicles where retail health is today. Retail clinics entered the market in 2001 with a few stores in local targets, offering a handful of services with a cash price. Consumer convenience and access was always the focus. In looking back one might say that one of the most innovative and disruptive moves retail clinics made was providing price transparency around service. As any new entrant in a market knows, gaining attention from the largest businesses in the space takes a proven track record. So entering with insurance contracts back in the early 2000s was unthinkable. Insurance companies and large health systems couldn't imagine a consumer seeking healthcare services in a retail store, pharmacy, or grocery store. Even more so, the idea of paying cash for healthcare was thought to be a nonstarter, but convenience trumped insurance coverage and so began the conversation around price transparency in healthcare.

Fast forward to 2017. There are now over 2,000 retail clinics scaled across the United States offering on average 100 unique primary care services in areas around high volume acute needs, vaccinations for children and adults, wellness services including diagnostics, weight management and smoking cessation. For many consumers, this is their only option for care, now coined the "medical home." For millions of uninsured this has become the clinic of choice simply out of convenience.

What's more exciting is where retail care is headed being led by these early innovators. Beyond basic primary care, retail clinics are maximizing their nurse practitioner's license by offering chronic care around heart disease, diabetes, mental health and more. By providing affordable and convenient access to these chronic disease conditions that oftentimes simply need consistent education and follow-up, retail care has the ability to decrease the amount spent on healthcare while providing more and better care. Their focus on efficiency, their use of nurse practitioners, and their transparent price structure will continue to disrupt how healthcare is priced and purchased.

Imagine a time in the near future when imaging centers with all their expertise and efficiency choose to make access and price transparency a hallmark of their business model. Or when urgent care centers in all local communities provide a hybrid model of payment via point-of-care flat pricing and insurance options. When surgery

centers are bold enough to market on their outcomes with bundled cash prices like the Oklahoma Surgery Center has been doing for a decade now. When medical tourism happens within the United States rather than 25% of care being accessed in other countries due to equal or better outcomes and price. That is what "retail" healthcare can really look like, moving far beyond the retail clinics of today.

However, there is still a significant missing piece. Healthcare professionals have never been known as great marketers. In fact, it was the pharmaceutical companies that explored and were extremely successful in direct-to-consumer marketing in healthcare all at the angst of the physician. But this is the world we live in today.

Remember the day when you had to call a travel agent to book a flight or learn about hotel options for your upcoming vacation. I know, barely, right? But 15 short years ago that was reality until Expedia, Hotwire, and Priceline came along to deliver a better consumer experience when planning travel. These sites empowered the consumer to make the travel choice based on their own priorities. Flight options such as nonstop or cost-savings with a stop? Time of day departure and which route of travel is most reliable? Compare difference in price based on Monday or Sunday departure? On one platform we could now take control of our travel experience and budget, while working with the brand of our choice or trying someone new.

Unfortunately, we are not even close to delivering this experience in healthcare, but we could be. Retail clinics, like airlines and hotels, started delivering services with the consumer in mind. But in travel it wasn't until the consumer could leverage an aggregated platform to compare and contrast for the growth to really happen. We believe the same will be true in healthcare, which is what RokketMed is all about. An aggregated platform for consumers to find local clinics, providers, urgent cares, etc. that can treat their need based on what's important to them. An appointment in two hours, walk in right now, a clinic close to home where I can be seen the same day, a provider with a five-star rating, or a price that I can afford. The restaurant industry improved dramatically with OpenTable, retail sales exploded with Amazon, travel opened up to millions because of Expedia and related services, and we know RokketMed will drive expansion and growth for the retail clinic industry.