

## OPINION

## Customer Health Care

By Grace-Marie Turner

It's Friday evening and you suspect that your child might have strep throat or a worsening ear infection. Do you bundle him up and wait half the night in an emergency room? Or do you suffer through the weekend and hope that you can get an appointment with your pediatrician on Monday—taking time off your job to drive across town for another wait in the doctor's office?

Every parent has faced this dilemma. But now there are new options, courtesy of the competitive marketplace. You might instead be able to

### Walk-in clinics offer a badly needed dose of competition to the medical sector.

take a quick trip on Friday night to a RediClinic in the nearby Wal-Mart or a MinuteClinic at CVS, where you will be seen by a nurse practitioner within 15 minutes, most likely getting a prescription that you can have filled right there. Cost of the visit? Generally between \$40 and \$60.

These new retail health clinics are opening in big box stores and local pharmacies around the country to treat common maladies at prices lower than a typical doctor's visit and much lower than the emergency room. No appointment necessary. Open daytime, evenings and weekends. Most take insurance.

Much like the response to Hurricane Katrina,

private companies are far ahead of the government in answering Americans' needs, this time for more accessible and more affordable health care. Political leaders across the country seeking to expand government's role in health care should take note.

Thousands of free-standing primary care clinics have been operating for years in malls and main streets around the country, often staffed by physicians and many offering a broad range of health services. The retail health clinics are creating a new model with more limited services at lower prices and almost always staffed by nurses. The Convenient Care Association estimates there are about 325 of these retail clinics operating nationwide today. Seventy-six of them are in Wal-Marts in 12 states, but the company announced last month it will expand to 400 clinics by the end of the decade and 2,000 in five to seven years. They will be run by outside firms, including for-profit ventures like RediClinic as well as local and regional health plans and hospitals.

The industry is rapidly expanding. You can find a MinuteClinic in the CVS on the Strip in Las Vegas. But you also will find many locally-run clinics in pharmacies and food stores across America, such as the Express Clinic in Miami, MediMin in Phoenix, and Curaquick in Sioux City, whose motto is "Get well soon."

Prices vary for services from flu shots (\$15-\$30), to care for allergies, poison ivy and pink eye (\$50-\$60), and tests for cholesterol, diabetes and pregnancy (less than \$50). Competition already is starting to drive prices down.

Of all patients who have visited the clinics, almost half went there for a vaccination, and one-



Who needs magazines and crowded waiting rooms?

third received treatment for ear infections, colds, strep throat, skin rashes or sinus infections. Ninety percent said they were satisfied with the care they received. The nurses staffing the clinics are under physician supervision and follow strict protocols to refer patients to physicians or emergency rooms if problems are more serious.

Internists and family doctors are watching. Some see the clinics as useful in providing efficient care for a limited number of uncomplicated ailments, freeing physicians and hospitals to deal with more complex cases. But others are worried about lost business, fragmentation of care, and the quality of care if the clinics miss something serious.

Rick Kellerman, president of the American Academy of Family Physicians, concedes, "The retail clinics are sending physicians a message that our current model of care is not always easy to access." The threat of competition from the in-store clinics means some doctors are keeping their practices open later and on Saturdays and holding an hour open for same-day appointments. Competition works.

And competition also worked to force prescription drug prices down: When Wal-Mart announced last year that it was dropping the price of several hundred generic medicines to \$4 for a month's supply, other pharmacies, from Target to corner drug stores, followed suit. Wal-Mart now says that a third of all prescriptions filled at its pharmacies are for the \$4 generics, and 30% of them are filled by people without insurance.

Take note, Congress: The market is providing cheaper medicines, more affordable care—and it is also helping the uninsured. A Harris Interactive poll conducted in March for The Wall Street Journal said that 22% of those visiting the clinics were uninsured. Wal-Mart says that half of its clinic visitors are uninsured.

Retail clinics are particularly attractive to 4.5 million people with Health Savings Accounts who have health insurance with higher deduct-

ibles and want an affordable option for some of their routine care.

And the clinics are working to solve another problem that is vexing Washington—creation of electronic medical records. Most retail clinics create computerized patient records, with the goal of making the records accessible throughout the chain. The records also can be emailed to a hospital or to the patient's regular doctor—or sent by fax if necessary.

Critics of engaging private competition in the health sector will argue that the vast majority of health-care dollars are spent on a relatively small percentage of patients with serious illness, especially those with multiple chronic conditions.

But even coordination of care for those with chronic illnesses lends itself to patient-friendly solutions. The City of Asheville, North Carolina, cut its costs in half for employees with diabetes by teaming up with local pharmacists who did routine exams and got patients to their doctors or hospitals more quickly when they needed intervention. Employees received their medicines for free if they kept appointments, and their health improved.

Because health care is largely regulated and licensed at the state level, some states are more friendly than others at having non-physicians deliver care. California requires that clinics be a medical corporation owned by a physician. In Arizona, each site must be licensed, but in most other states, a single license will serve multiple clinics. Illinois is considering legislation to limit the number of nurses a doctor could supervise to two and restrict the clinics' right to advertise.

This industry is in its infancy and will hardly register in our nation's \$2 trillion-plus health care bill. But just as Nucor overturned the steelmaking industry with a faster-better-cheaper way of making low-end rebar, these limited service clinics could be the disruptive innovator in our health-care system. Package pricing for more complex treatments, like knee replacement surgery, may not be far behind.

Government can get in the way, of course, with protectionist policies that throw up more regulatory barriers to entry. But retail clinics could be just the beginning of consumer-friendly innovations, if Congress were to change tax policies in a way that would allow people to have more control over their health spending, as President Bush has proposed.

The linchpin is giving people the same tax benefits whether they get their health insurance at work or on their own, or buy coverage through groups like churches, labor unions and professional or trade associations. Allowing people to buy health insurance across state lines would inject another dose of healthy competition into the system.

With many congressional leaders hostile to free-market solutions, these policy changes are unlikely in the next two years. But as consumers get a taste of what consumer-friendly health care is like, they may well demand that the top-down, centralized health-care delivery of the 20th century give way to a system more in tune with the demands of 21st-century consumers seeking greater value and efficiency.

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## Corruption Fighter

By Bambang Harymurti

Jakarta

Fighting corruption is a hazardous mission. In poor and developing countries you can be assassinated, which happened to journalists Georgy Gongadze in Ukraine and Carlos Alberto Cardozo in Mozambique in 2000. Even in France there is danger, as magistrate Eva Joly discovered.

Ms. Joly prosecuted the state-owned Credit Lyonnais, which had incurred billions of dollars of losses through mismanagement; her seven-year investigation of the Elf Aquitaine oil company exposed corruption at the highest levels of business and political life. As a result she was subjected to intimidation and death threats and had to be constantly under police protection; her adversaries even produced a film portraying her as an unstable zealot. In 2002 the Norwegian government asked her to return to her native land, and promptly appointed her a special adviser in the Ministry of Foreign Affairs and Justice.

### Why Paul Wolfowitz should stay at the World Bank.

But Ms. Joly, whom I have been privileged to

In fact, this crisis can turn out to be a great opportunity to show the world how to handle problems of conflict of interest in high places. This is a common problem among World Bank clients, the developing countries.

Poor countries usually lack skilled managers, and many of their competent managers are clustered in a few big families and, among those families' members, intermarriages are quite common. Hence conflicts of interests are much more prevalent, and a solution for handling this problem is greatly needed. The World Bank, which prides itself as being a knowledge bank, is well positioned to provide the answer. The question now is: Can the bank accept this challenge?

I am quite confident that Mr. Wolfowitz can, based on how he handled "odious debt" at the World Bank—the situation in which loans are made with the knowledge that a big chunk of the money will probably be stolen. He did not give in to the pressure from the left to write off odious debt, and he did not give in to the pressure from the right in the opposite direction. His answer was to increase the corruption-prevention and asset-recovery capabilities of poor countries.

He has found many champions in this endeavor. Nuhu Ribadu, the chairman of the Economic and Financial Crime Commission of Nigeria, is one. Under his leadership, and with \$5 million of assis-