First Franchise Urgent Care Clinic to Open

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A longtime local health care executive is hoping to attract some of the countys urgent care business when he opens the first franchise clinic of a national chain tailored to these types of patients.

Paul and Lida Arvanitis, the local franchisees of the Doctors Express facility, plan a soft opening in late October at 10538 Mission Gorge Road in Santee.

Paul Arvanitis, who has two decades of experience in the medical industry, will run the day-to-day operations at the site; his wife will handle marketing.

This region needs more convenient health care options, and we are the ideal alternative to costly and often unnecessary emergency room visits, asserted Arvanitis, whose background includes stints doing pre-construction planning for hospital clients as an executive with Omega Group.

While serving as a medical service corps officer in the U.S. Navy, Arvanitis also completed fellowships with Kaiser Permanente and BlueCross BlueShield of South Carolina.

The intent was to learn how managed care functioned in the private sector and apply some of those experiences to the military health system, said Arvanitis.

Complementing the System

With seven-day-a-week service, Doctors Express promises walk-in convenience and speedy medical care for those who can pay for it. Arvanitis said the business isnt being launched to replace the family doctor, but rather to be an adjunct to the local medical community when other clinics cant squeeze in Junior, who has the sniffles, or Mom sprains her ankle on the tennis court.

Were here to complement the current health care system, said Arvanitis, who said post-care follow-up notes will be shared with the clients primary care provider.

It will pretty much cover the gamut of health care issues that are non-life-threatening, said Arvanitis of Doctors Express. He has funded the venture with savings and Small Business Administration loans. He said it cost him $55,000 to buy the franchise. Total cost to build out the space, purchase equipment and become operable is in the $700,000 range, according to Katy Millberg, a spokeswoman for the Towson, Md.-based Doctors Express, which was co-founded in 2005 by an emergency room physician named Peter Ross.

More Centers Coming

There are 10 Doctors Express centers up and running throughout the country. A total of 69 franchises have been sold in 21 states and 20 will be operating by the end of the year, according to Millberg, who would not disclose revenues for the company.

In addition to the Santee clinic, another franchisee will launch a facility in Carlsbad around the first of the year, said Millberg.

We chose Santee because it seemed to have limited facilities for people with immediate health care needs, said Arvanitis, who said the business accepts most health insurance plans and offers discounts for self-pay patients. Of course, nobody needs to schedule an appointment, said Arvanitis, who estimated that the average wait time to see a physician at Doctors Express will be 15-20 minutes.

While acknowledging that the Doctors Express clinic could take some market share from physician practices, he said urgent care clinics deliver episodic care rather than treat chronic medical conditions.

If youre being treated for diabetes, we are not your treatment center for that, said Arvanitis.

Initially, Arvanitis said the clinic needs to see 20-25 patients a day to reach the break-even point financially. He said that hes hired five board-certified primary care doctors, two of whom will be full-time employees. In addition, he has hired medical assistants, an X-ray technician, office staff and a druggist for an on-site pharmacy.

During the course of the next year, the business should provide employment for about 12 people, said Arvanitis. In addition, the general contractor hired local suppliers to do some of the subcontracting work on the facility, such as plumbing and electrical work.

In time, and depending on cash flow, he hopes to open other centers throughout the county.

Its a very efficient medical and business model, said Arvanitis, referring to the 2,200-square-foot facility, which includes exam rooms, a triage area and a laboratory that gives quick test results for ailments such as mononucleosis and strep throat.

Shorter Waits in the ER?

Most importantly, the clinic could help divert patients from unneeded uses of hospital emergency rooms as well as save money.

As jobless numbers ratchet up and physicians get squeezed by falling reimbursements, hospital ERs have become the family doctors of last resort, for many. That has resulted in hours-long waits in emergency rooms for patients, and higher costs for hospitals and insurers.

The average cost of an ER visit (total cost to consumer and insurance company) is $570, according to data supplied by Doctors Express. In contrast, the average cost of urgent care at one of its clinics is in the $125-$140 range.

While urgent care centers such as Doctors Express can help alleviate some of the non-emergency cases in ERs, some industry observers say they can also siphon profitable services and patients, sticking hospitals with the sickest or the indigent. Many ERs depend on less severe injuries such as broken legs to help pay for treating, say, a knifing victim.

While the local medical community hasnt taken a formal position on the business concept, the executive director of the San Diego County Medical Society said such clinics have their place in the larger medical environment.

As long as they meet licensing requirements and they have a physician in the room, its a model were pretty comfortable with, said Tom Gehring of the Medical Society, a nonprofit physician advocacy organization founded in 1870.

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