

# Funyuns and flu shots? Gas station company ventures into urgent care

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When Lou Ellen Horwitz first learned that a gas station company was going to open a chain of urgent care clinics, she was skeptical.

As CEO of the Urgent Care Association, Horwitz knows the industry is booming. Its market size has doubled in 10 years, as patients, particularly younger ones, are drawn to the convenience of the same-day appointments and extended hours offered by the walk-in clinics.

"Urgent care is harder than it looks," Horwitz recalled thinking when the Tulsa-based gas station and convenience store company QuikTrip announced an urgent care venture called MedWise in late 2020. "And that's a whole different ballgame than selling Funyuns."

But Horwitz said the more she thought about it, the more she saw an overlap between the business models of QuikTrip and of successful urgent care clinics: setting up in easy-to-find locations, catering to walk-ins, and accepting multiple payment methods, for example. QuikTrip opening health clinics might just make sense, she thought, provided they could deliver quality medical care.

In fact, QuikTrip had been providing primary care services to its own employees for years, through third parties and eventually at its own clinics. Five years ago, longtime "QuikTripper" Brice Habeck was tasked with leading a team to figure out how the company could offer such medical services to the general public, too. His team quickly realized that urgent care had a lot in common with their retail spaces.

"It's about access. It's about convenience," said Habeck, who started his career as a clerk at a QT, as the stores are often branded, and is now the executive director of MedWise.

MedWise has opened 12 clinics so far, all in the Tulsa area, and now belongs to Horwitz's trade group. The company is owned by QuikTrip, but the two businesses don't share buildings or a name. As much as people love the gas station, Habeck said, company leaders didn't want patients to think the person checking their vitals had just wiped down a gas pump.

QuikTrip is not the first company to see potential in the urgent care industry. Private equity firms have been investing in urgent care's consumer-friendly niche for over a decade. And nearly half of urgent

cares are affiliated with hospital systems—which often see urgent care as a front door for bringing in new patients while also taking some burden off their busy emergency rooms.

Other retailers have also seen opportunities in expanding into patient care. Walmart, Target, CVS, and Walgreens have all opened what are called "retail clinics" in recent years, often in their existing stores and often partnering with local health systems to provide the actual medical care. Generally, the scope of services available at urgent care centers, such as MedWise clinics, is more robust than what's offered at those retail clinics, according to Horwitz.

But urgent care and retail clinics may not be a panacea for rising [health care costs](#). A study co-authored by Harvard Medical School health policy professor Ateev Mehrotra shows urgent care clinics reduce less serious visits to the emergency room, yet 37 urgent care visits are needed to prevent a single trip to the ER, increasing total health care spending with all those trips.

And ongoing research by Vanderbilt University assistant professor Kevin Griffith suggests that newly constructed urgent care or retail clinics can decrease wait times at nearby private and public sector health centers initially. Eventually, however, the increased access provided by the new clinics increases demand as well, he is finding, and wait times creep back up.

"It's kind of like the 'build it and they will come' of health care," said Griffith, adding that even though the clinics may not decrease wait times long-term or reduce costs, they are getting patients seen. "There is a huge problem with unmet care in the United States. And so ostensibly, these clinics are making a dent into that problem as well."

The experience of some retail clinics is a cautionary tale for companies

like MedWise, according to Mehrotra: Disrupting the health care industry is easier said than done, even for businesses with a successful track record of good customer service in a low-margin business such as gas stations.

"Generally people have been happy with the convenience," Mehrotra said, but the clinics have not been very profitable, prompting many closures over the years.

Gas stations are accustomed to competing over customers by offering something special. QuikTrip, for example, was recently ranked ninth on a list of best gas station brands in America that noted QT's "beloved" made-to-order food, such as breakfast tacos. Habeck said he thinks patients today are open to a more transactional approach in health care as well.

That doesn't mean offering roller-grill hot dogs and taquitos in urgent care waiting rooms, although Habeck joked that MedWise might have tried that if it hadn't launched during the pandemic. Rather, he said, the chain is banking on winning customer loyalty by offering patients consistent service without necessarily offering a consistent clinician.

And, Habeck said, even though MedWise and QTs are not in the same buildings, the parent company's experience finding prominent locations for gas stations is useful for placing urgent cares as well.

On a recent Friday afternoon, Billy Rohling and Amy Shaver stood waiting for their ride home in the mostly empty parking lot of a MedWise at the same exit as a QT off Interstate Highway 244 in Tulsa. Rohling, 56, remembers when this corner of Admiral Place and Sheridan Road was a shopping center with tenants like J.C. Penney Co. and a five-and-dime called TG&Y.

Those stores are long gone now, though. The couple came to MedWise because Shaver, 37, was having breathing problems. It was her second time visiting the clinic.

"They aren't busy at all," Rohling said. "It took 15 minutes to get an EKG."

Indeed, MedWise's patient visits have slowed since the unexpected "windfall volume" that came as a result of opening during the pandemic, Habeck said. At one point, MedWise clinics administered curbside COVID-19 tests to hundreds of patients a day, many of whom paid cash. The momentum from all those visits helped propel the clinics through abnormally low flu seasons in 2020 and 2021—typically urgent care's bread and butter.

But Habeck said MedWise is still on track to expand. Four more locations are slated to open in northeastern Oklahoma this year, and the future should bring even more MedWise locations in QuikTrip's 17-state, 1,000-location footprint, in places such as Kansas City, Missouri, and Wichita, Kansas.

State health care rules, public insurance payment rates, and existing [health](#) system locations will all factor into where the new clinics are located, Habeck said, although expansion out of state is probably a couple of years away.

Horwitz said scaling up in the industry requires a degree of standardization—everything from clinic layouts to staffing levels, and even where various supplies are stored—that can be hard to attain. But she said it's a trend, with more urgent care chains having a triple-digit number of locations than ever before.

"Nobody's at 1,000, but some are closing in on it," Horwitz said.

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