

California URGENT CARE ASSOCIATION

2024 WESTERN REGIONAL
URGENT CARE CONFERENCE



Introduction & Welcome





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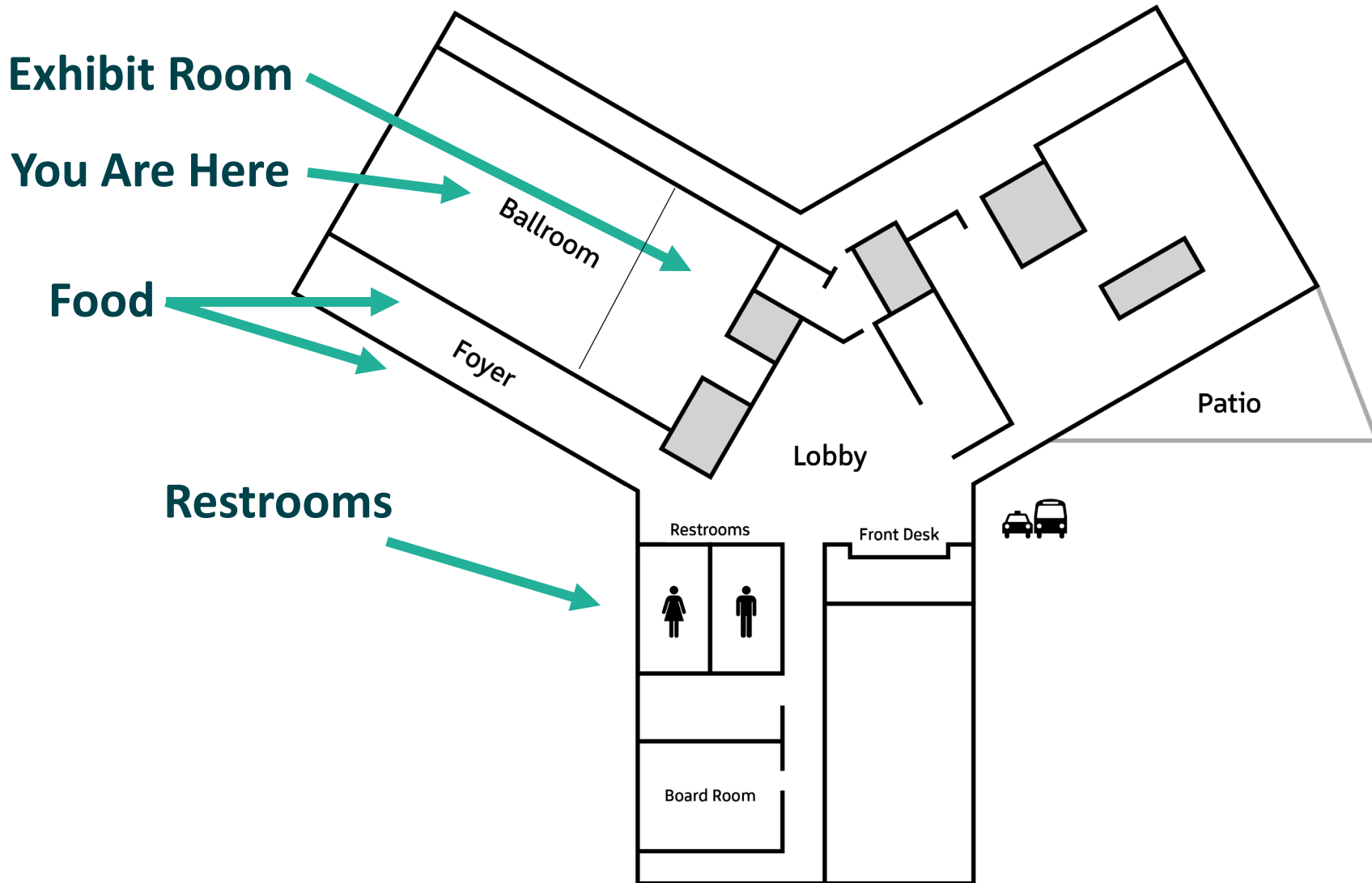
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Logistics



Agenda

- CalUCA's Role
- Conference Objectives
- Industry Headwinds
- Industry Tailwinds
- What does all of this mean for you?

CalUCA's Role



①

Update



②

Educate



③

Advocate

Meeting Objectives



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Update



②

Educate



③

Advocate



④

Fun!

Conference Agenda

Thursday, November 7, 2024

Introduction and Welcome

State of the Industry & CalUCA Mission

National Urgent Care Industry in Focus

Keynote: Advocating for Change

Panel Discussion: Grassroots Advocacy

Operations Focus Session #1: Maximizing Clinic Value

Clinical Focus Session #1: EKGs in Urgent Care

Operations Focus Session #2: Integrating Primary Care into Urgent Care

Clinical Focus Session #2: From PALS to Besties!

Operations Focus Session #3: Comfort in Care: Building Trust through Marketing

Clinical Focus Session #3: COPD in Urgent Care

Gala

End of Day

Friday, November 8, 2024

Operations Focus Session #4: Streamlining Your OccMed Process

Clinical Focus Session #4: The Conversation Conundrum

Operations Focus Session #5: Profitable Revenue Growth Through High-Value Services

Clinical Focus Session #5: Asthma Update

Operations Focus Session #6: HR in California

Clinical Focus Session #6: “Can’t Miss” X-ray Diagnoses in Urgent Care

Emergency Q: Urgent Care from Down Under

Using AI to Improve Patient Experience and

Increase revenue

Implementing AI in Urgent Care

Panel Discussion: AI in Urgent Healthcare

End of Day

State of the Industry

A lot of headwinds...

Current State of the Healthcare Industry

- The healthcare industry has been under increasing pressure for the last few decades
- COVID-19 exacerbated this



Hospitals

- In the last decade, 100+ hospitals closed
- 703 rural hospitals at risk of closing with >50% at immediate risk
- >50% of all hospitals lost money in 2022
- 41 hospitals went through job cuts in 1H 2024



Physician Practices

- Massive consolidation
- Many practices subsidized by hospitals
- Primary Care independent practices are disappearing
- ER practices experiencing tremendous pressure on E&M



Healthcare Systems

- Providence – cutting \$1B in expenses
- Cedars – laid off 181 staff in 2023
- Kaiser – recovering from a \$1.3B loss in 2022; laid off 200+ clinical and 236 support staff in past year
- UHC/Optum – multiple rounds in last year; lowered 2024 full-year earnings outlook

Current State of the Urgent Care Industry

Experienced the same pressures as Healthcare, and then some...



Pre-COVID, Urgent Cares Payments

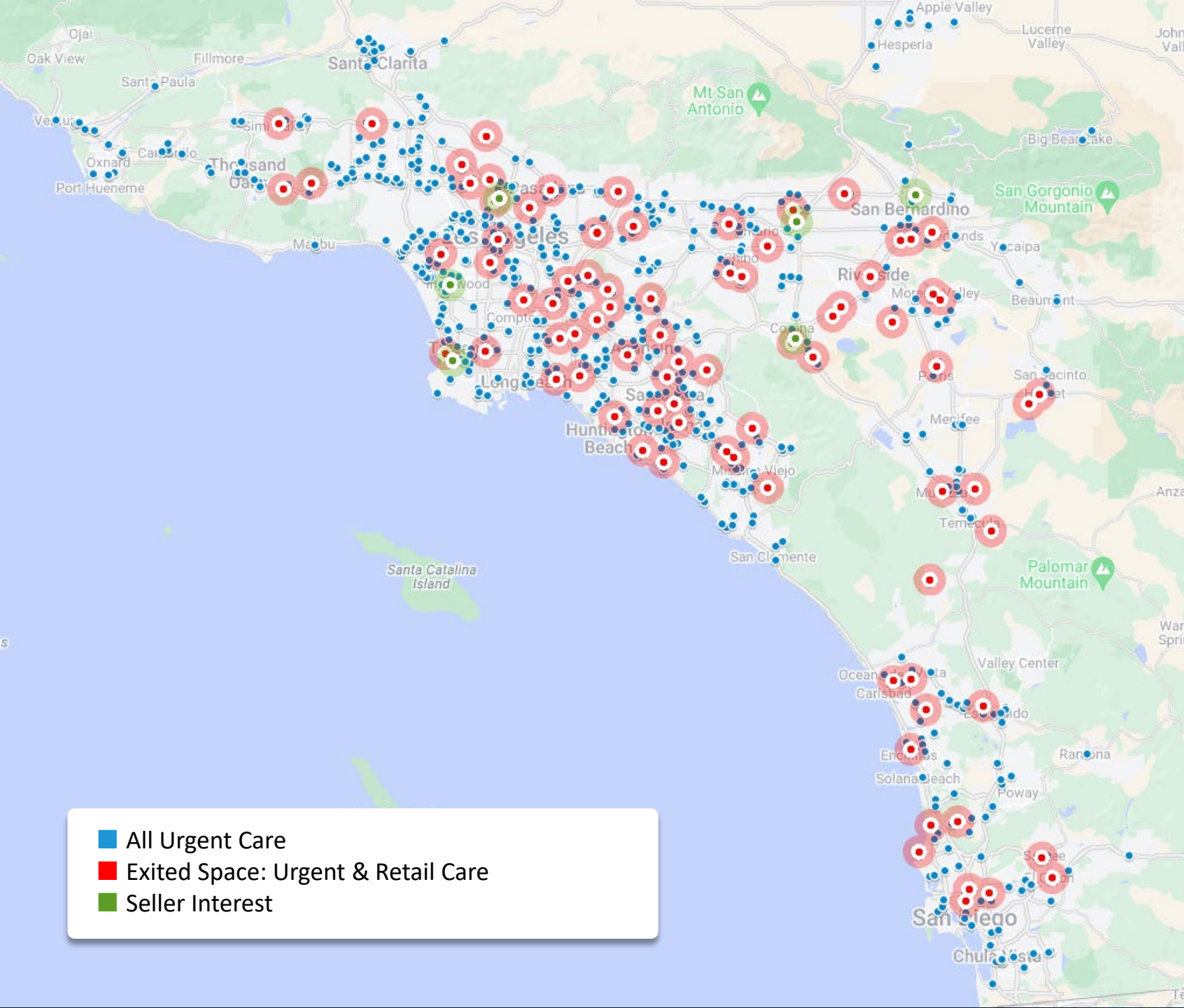
- Looked at 45k outpatient visits
- Top 25 diagnoses made up 45% of ER revenue
- Excluded hospitalized patients
- Urgent cares get paid <8% of ER for same diagnosis



Over the Last 5 Years...

- Average Daily Census is down 26%
- Reimbursement rates are flat
- 2021 CMS billing guideline changes reduced E&Ms by 9%
- Hyper inflation driving costs up

Average margin for urgent cares in 2023 was break-even.



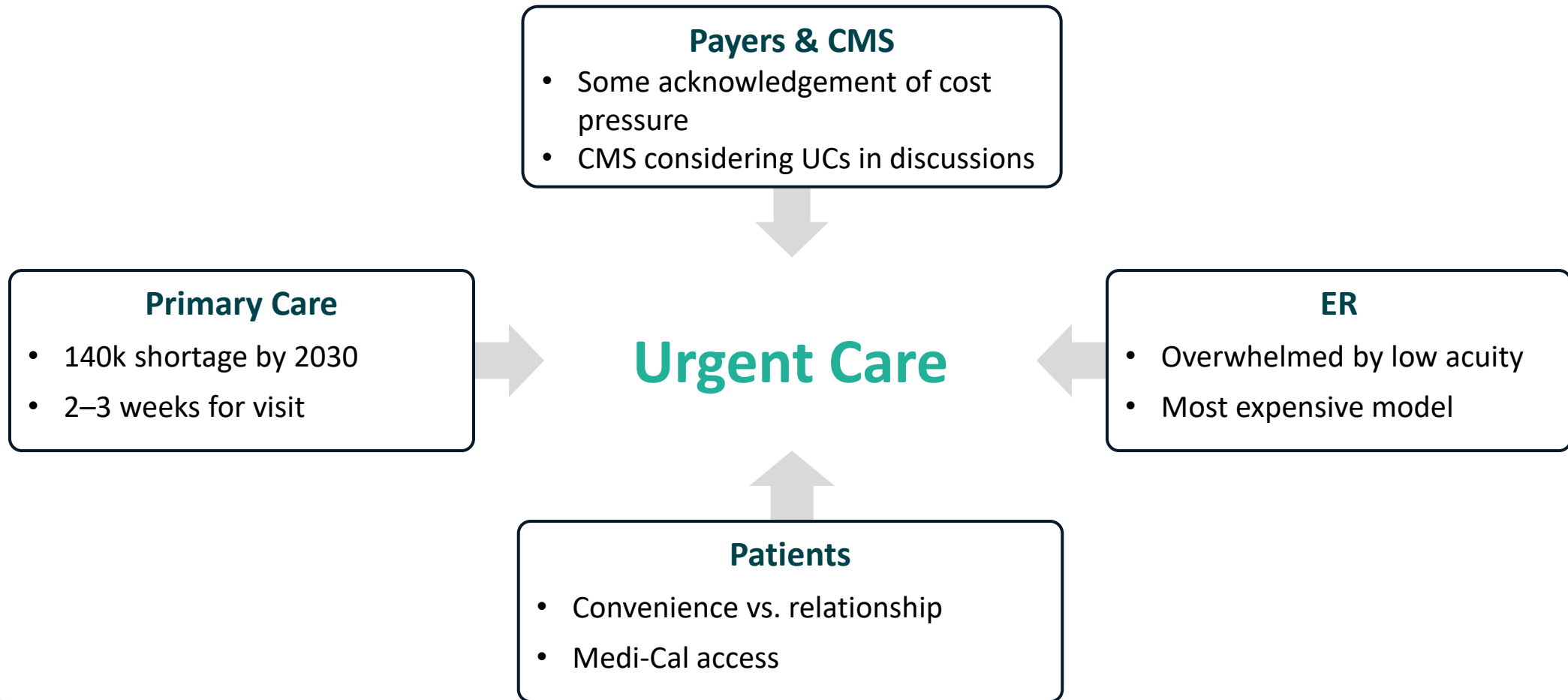
Southern California Market Changes

- Market has been right sizing
- Many Urgent Cares/Retail Clinics have exited
- Similar story across state and US
- Amazon/OneMedical reported loss of \$1B
- Walmart closed Health Centers
- CVS significantly reducing MinuteClinics
- Walgreens considering selling all or part of VillageMD business after \$Bs in losses, per SEC filing

Starting to See Tailwinds

Starting to See Tailwinds in the Urgent Care Space

Urgent Care – Essential to the Care Gap



Urgent Cares Need to Develop a Voice – State and Federal Level

Covid
Policy

CMS
Changes

State
Regulations

Misconceptions
of Urgent Cares

Not
Considered
for Rate
Increases



Reflect on Ancillary Services and Alternate Paths

What works for your business?

If you are dedicated Urgent Care:

- Primary Care?
- Occupational Medicine/Workers' Compensation

If you are Primary Care Provider with extended hours for Urgent Care:

- Expand UC services?
- Pull back on Urgent Care and expand hours of Primary Care?

What most improves your business?

Q&A



Introducing

Lou Ellen
Horwitz

President, Urgent Care Association