



June 21, 2024

Senator Cindy F. Friedman  
Co-Chair, Joint Committee on Health Care Financing  
State House, Room 313  
Boston, MA 02133

Dear Senator Friedman:

The Urgent Care Association (UCA) is voicing strong objections to certain elements within **H.4653- An Act enhancing the market review process**. We caution that these elements could place undue financial and regulatory strain on small, local healthcare providers, including Urgent Care centers (UCCs), potentially compromising their operational sustainability. Such outcomes may escalate healthcare expenses and limit healthcare availability for the people of Massachusetts. The proposed legislation's stipulations for additional fees, mandatory licensing, and narrow definitions of Urgent Care services could diminish the critical function that UCCs fulfill in providing prompt, cost-effective and accessible medical services. We strongly recommend a reevaluation of these legislative components to preserve the ability of UCCs to continue their vital service to our communities.

In Massachusetts, about 200 UCCs employ 3,000 healthcare workers and see 40 patients daily, leading to nearly 3 million annual visits. Without their services, patients might use emergency rooms, costing up to five times more, or face long waits for primary care physicians<sup>1</sup>. Urgent Care is similar to primary care in cost efficiency and much more cost effective than ERs. An ER visit costs over \$1,000 on average, with a \$197 copay, while a UCC visit is around \$156, with a \$33 copay. Non-hospital UCCs are even cheaper, averaging \$129.60 per visit.<sup>2</sup>

UCCs were crucial during COVID-19, staying open when others shut down. They fulfill a healthcare need of patients requiring immediate care that's not life or limb threatening. These centers are open daily, staffed by licensed clinicians and offer a range of services, including occupational health, workers' compensation assessments, and physicals for various groups and purposes.

Recently, the Massachusetts Department of Public Health (DPH) contacted the Massachusetts Urgent Care Association seeking assistance. Due to the immediate uncertainty of Steward Health's survival, DPH is concerned about the surge in patient volumes and has requested Urgent Care's support in informing the public that Urgent Care centers should be the first option for those with non-critical injuries or sicknesses, rather than Emergency Rooms. Urgent Care operators in Massachusetts have expressed their willingness to support their immediate needs. However, the proposed legislation could significantly hinder, or even prevent, them from participating in such collaborative efforts.

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<sup>1</sup> <https://www.nbcboston.com/news/local/amid-flu-season-mass-general-brigham-says-it-wont-be-accepting-new-primary-care-patients/3191270/>

<sup>2</sup> <https://urgentcareassociation.org/shop/industry-data/2023-finance-benchmarking-report/>

### **The Requirement for HPC and CHIA Reviews and Operating Assessments Will Escalate Expenses**

Imposing fees on UCCs based on patient revenue to fund the HPC and CHIA will strain healthcare providers. UCCs, which rely on high patient turnover and have slim profit margins, face increased operational costs post-COVID-19, and flat reimbursement rates, making these fees a threat to their financial stability.

The HPC's unpredictable decision-making process and Massachusetts' strict regulations on ownership changes discourage investment in the state. Small providers can't afford to wait for HPC approvals, and the requirement for a five-year financial forecast with audited statements adds to their burden. Larger hospitals, which prompted this legislation, can withstand these challenges.

Urgent Care owners invest in areas with unmet healthcare needs, offering affordable and necessary services. Forcing the HPC to conduct cost evaluations is unnecessary and creates obstacles to opening new centers. These legislative barriers not only hinder healthcare access but also drive up system-wide costs. With the average UCC in Massachusetts receiving 15,000 patient visits per year, their closure would overload emergency rooms, as patients would have to seek alternatives.

### **The Proposed UCC Licensure Will Increase Healthcare Costs and Erect Unnecessary Access Barriers**

UCCs are run by licensed medical professionals and provide state-regulated lab and X-ray services, meeting high quality and safety standards. Almost half of all UCCs in Massachusetts hold UCA Accreditation, which sets the industry quality benchmark. Given this, the necessity for a new UCC-specific license is unclear.

Massachusetts's UCCs are conveniently located to serve communities, but only a quarter are licensed as "health care clinics" by the DPH. The rest don't fit the "clinic" category due to different structures, and many can't meet DPH's infrastructure requirements. Adapting to these would be costly and unnecessary, raising healthcare costs without improving care. In cities, where real estate is in high demand, the licensing process is a significant barrier to opening a UCC. Properties that are available often don't meet DPH's criteria, making it too expensive or impossible to comply and still run an efficient UCC. The current DPH licensing process has deterred investment in Massachusetts. Like the HPC process, it's not feasible for providers to wait for DPH's approval.

We recommend that the legislature consider UCA's Accreditation process instead of a new licensure category. The UCA's program is the only one that defines Urgent Care standards and involves a rigorous biennial review, ensuring it represents the industry's range accurately.

**Definition of Urgent Care Does Not Adequately Reflect Scope of Practice**

The definition of “Urgent Care” in H.4653 doesn’t capture all services provided by UCCs. This narrow definition restricts qualified providers and jeopardizes financial health. UCA has a broader definition that over 14,000 centers recognize, and we urge the Commonwealth to adopt this definition to ensure facilities labeled “Urgent Care” deliver trusted care levels:

*“Urgent Care services” means: 1) a medical examination, diagnosis and treatment for non-life or limb threatening illnesses and injuries that are within the capability of an Urgent Care center which accepts unscheduled, walk-in patients seeking medical attention during all posted hours of operation and is supported by onsite evaluation services, including radiology and laboratory services; and 2) any further medical examination, procedure and treatment to the extent they are within the capabilities of the staff and facilities available at the Urgent Care center. By offering same day ambulatory health care, urgent care centers are capable of providing services including, but not limited to, on-demand and scheduled medical, wellness and screening services for employers, injured workers, the commercially insured, Medicare, Medicaid, TriCare, self-insured employers and patients seeking cash-pay options.”*

UCA is asking you to consider the impact of these legislative measures on your patients and clinicians and the broader healthcare costs in Massachusetts. In doing so, you’ll be endorsing the goal of UCCs to deliver care that is reachable, cost-effective, clinically-appropriate and convenient for patients across the Commonwealth.

Thank you for considering our perspective. We welcome any further dialogue if you have inquiries or require more information.



Lou Ellen Horwitz  
Chief Executive Officer  
Urgent Care Association