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Wasn't this health clinic a bookstore a while ago?

As retailers move out, Twin Cities health care providers are moving in

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For years, retailers have been staking claims to small pieces of the health care landscape with in-store clinics that treat minor ailments.

Now, traditional clinic operators are turning the exam tables by hanging out at shopping centers.

HealthEast is rehabbing the old Borders bookshop on University Avenue in St. Paul to create a home for its Midway Clinic, according to plans released this fall by health system officials. Situated between a Herbergers's and an L.A. Fitness, the clinic will offer care from internal medicine doctors, audiology specialist and even allergies.

A few miles to the south in St. Paul's Highland Park neighborhood, the Minneapolis-based Allina system is fashioning a clinic in a former Old Country Buffet. And in the past year or so, Woodbury and Lakeville have seen the transformation of former video stores into primary and urgent care centers.

Among the factors driving the trend: lots of empty retail space.

"Retail space historically has been more expensive," said Len Kaiser, director of business development for St. Paul based HealthEast. "But now, as there's more space available on the market, some developers are saying: "We can work with the health care providers."

Landlords, in fact, are aggressively courting healthcare providers as potential tenants, said Dean Williamson, president of Frauenshuh Commercial Real Estate Group, based in Bloomington.

"They've got to find other uses for their space," Williamson said.

For years, the Twin Cities has been at the forefront of the limited convergence of the retail and health care sectors.

MinuteClinic, originally based in Minneapolis, got the trend rolling about 10 years ago by opening in retail settings small clinics that treat a limited number of health problems.

The local firm was purchased in 2006 by Rhode Island-based CVS, which has been joined in the race to open more in-store clinics by rival pharmacy operator Walgreens.

Minneapolis-based Target and Arkansas-based Wal-Mart also are opening more in-store clinics.

The ambitions of the nation's largest retailer are somewhat unclear, however.

Danny Jones removes carpet glue Thursday in the former Borders bookstore space on University Avenue in St. Paul. HealthEast is moving the Midway Clinic there, offering surface parking and convenient access to major retailers.

This month, a National Public Radio report turned heads by quoting an internal document that stated Wal-Mart wanted to become "the largest provider of primary health care services in the nation." After the news broke, Wal-Mart quickly backed away from the statement, saying the document was "overwritten and inaccurate."

At HealthEast, officials mentioned Wal-Mart and other nearby retailers when explaining why they like their new clinic location in the old Borders store.

Currently, the Midway clinic is in a medical building on University Avenue adjacent to the old Midway Hospital. The new location will offer surface parking and easy access to major retailers, said Kaiser, the HealthEast official.

"If we can provide other amenities for patients close by, I think that's a bonus," Kaiser said. "They can take care of not only their health care needs but also other shopping or retail needs they might have."

Before opening as a HealthEast clinic in March or April, the building's interior will undergo a complete renovation that includes skylights and patient-friendly design touches. (No more taking a patient's weight, for example, in the hallway for all to see, Kaiser said.)

Exterior changes will include a new entrance that allows patients to be dropped off as well as a heated sidewalk system so patients don't' slip and fall.

Two years ago, HealthEast opened another clinic in a former St. Paul storefront. Its Grand Avenue clinic is in what was once an eq-life outlet near the Victoria Street intersection, and the experience has shown that retail settings can work for health care, Kaiser said.

The Allina health system has opened a few clinics in retails settings, but there's not a specific strategy to do so, said spokesman Tim Burke. Allina is re-locating its Aspen Clinic in Highland Park to a

former Old Country Buffet, Burke said, simply because the new space is bigger and provides plenty of parking.

But when the St. Louis Park-based Park Nicollet system opened a clinic this year in Lakeville, officials were happy to find retail space available. The current real estate market lets the system bring its clinicians closer to where people live at a lower cost, said Brett Long, a vice president at Park Nicollet Health Services.

The new Park Nicollet clinic was a Hollywood Video store.

"With our renewed focus on convenience and cost to our patients, we must be open to different approaches," Long wrote in an email.

Emergency physician opening a new urgent care center last year in Woodbury also found a home in an old video store. The empty storefront made for a nice place to build because there weren't a lot of walls to be knocked down, said Dr. Gary Gosewisch, president of the Urgency Room. The retail neighbors also were an attraction.

"It's really convenient for people who are coming to shop at Target or go to a restaurant, " Gosewisch said.

For many years, health systems have had real estate departments that help find good locations for new clinics, said Tom Charland, a health care consultant in Shoreview with Merchant Medicine LLC. What's changed, he said, is that health systems are bringing more sophistication to the task.

"The clients I have are definitely looking at commercial real estate, and among the options are strip malls," Charland said. "It comes down to things like access: Does it have easy access for someone driving in? Does it have good visibility? Are you co-anchored with the right retail tenants?

"It used to just be about: Do you have the space and is the price right?"