

## A SECOND LOOK AT ONSITE CLINICS

### NOT JUST FOR HUGE EMPLOYERS ANYMORE

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Most employers are familiar with the idea of onsite health clinics: a location where employees can get basic health services right at their place of employment. However, many business owners have considered this an option best-suited for very large employers.

Recently, technology innovations and new approaches to the onsite clinic model are making some rethink this perception. With the right tactics, mid-size employers may find that onsite clinics can work for them, improving their bottom line while making their employees healthier—and happier.



### A MODEL OF CONVENIENCE

Like the retail clinics that consumers have come to know at Target, Wal-Mart and CVS, onsite medical clinics offer a huge advantage: convenience. Cutting out the drive to a doctor's office and time spent in a waiting room is very attractive to health care consumers. Just as retail clinic patients can kill two birds with one stone while they're shopping, employees with an onsite clinic can skip the hassle of taking time off work for a health care appointment—the provider is literally just steps away.

A [recent study by Mercer and the Society for Health Resources Management \(SHRM\)](#) found that an average medical office visit for an employee results in 150 minutes of lost time. An average ER visit results in 270 minutes of lost time. The comparable amount of lost time for employees with onsite clinics is 30 minutes for both cases.

But the convenience of these types of clinics is just one part of the equation. With some retail clinics being closed or scaling back services, health care delivery experts have noted the limitations of the model. Volume plays a role—but with employer-based clinics, a company's culture and flexibility in its utilization of the clinic can also make a significant difference.

### PART OF A BIGGER PICTURE

Increasingly, HR analysts are finding that a company's culture plays a large role in how employees buy in to innovations such as onsite clinics. For a company that has a history of working with its employees on wellness issues and communicating clearly about health benefits, an onsite clinic is often seen as a logical next step.

Bringing in something like an onsite clinic without laying the groundwork, on the other hand, may be too sudden a change for employees. Trust is an issue here: rightly or wrongly, employees may feel uncomfortable sharing health information with clinical providers at their workplace. Even with medical privacy laws, some may fear health issues could play a role in how their employer assesses them.

Creating a culture where health and wellness are clearly a priority, and communicating clearly with employees

about health benefits, are steps that can ease such concerns. When employees understand that a company truly does consider them a valued resource and cares about their health, they will be more comfortable with the concept of onsite clinics.

## A HEALTHY RETURN ON INVESTMENT

Most of those who have studied onsite clinics agree: there are some upfront costs, and it takes two or three years to see a cost savings for the company. But once the savings kick in, they are substantial.

A recent study [by the Government Finance Officers Association and Colonial Life and Accident Insurance](#) found that public employers report saving from \$1.60 to \$4 for every dollar invested in onsite clinics.

Another [study, by the National Association of Worksite Health Centers](#), surveyed 255 employers with onsite or near-site clinics and found that the majority of respondents said the financial objectives for their onsite clinics are being met, with 64 percent seeing a reduction in medical care costs, almost 70 percent realizing reduced time lost by employees leaving work to see outside medical providers, and 63 percent seeing reduced use of the emergency room.

## MAKING THE CONCEPT WORK

As noted earlier, onsite and retail clinics have not been a slam-dunk proposition for everyone. Size matters, with larger employers generally providing enough business for the clinics to avoid slow times and insufficient revenue. But whereas once it was thought at least 500 to 1,000 employees were needed to make a clinic viable, there are arrangements now where employers with fewer employees can also make an onsite clinic a workable proposition.

Clinic patients need not be limited to workers. Some companies allow dependents access to onsite clinics, or retirees, or employee from other sites. And some employers join together with other nearby businesses to create a stronger patient base.

Flexibility is key. Some clinics have part time arrangements with clinic vendors, reducing costs while still maintaining services. Other businesses have developed innovative approaches that use clinic providers in wellness activities, in addition to their clinical services. And the growth of telemedicine technology has seen some vendors offering secure virtual provider visits. Any combination of these innovative approaches can deliver the benefits of onsite care with reduced costs for individual employers.

## SETTING IT UP

Once the employer has decided to create an onsite clinic, there are several things to consider. Sites should be easily accessible and pleasant, yet should not be so centrally located that workers can see who is coming and going from the site. Workers still have difficulty feeling comfortable when their co-workers (or managers) are too aware of their health issues. A site where some privacy is possible is recommended. In addition, depending on what type of coverage is available, many clinics provide an outside entrance so that people can enter the clinic without actually entering the worksite. This is helpful if some patients work at a nearby site or if workers' family members or retirees can be seen at the clinic.

Another thing to keep in mind is that you may want to expand the clinic at some point. Many worksite clinics start small, with the option of adding pharmacy services, additional occupational therapy capabilities, or wellness facilities somewhere down the road.

And, as noted earlier, there's also the possibility that some type of telemedicine technology will be added at some point. A flexible space with modern technology capabilities and infrastructure is ideal.

MMA's consultants can provide you with an analysis of what configuration of onsite clinic will work best for your company. Claims analysis can identify trends in health spending that can help provide focus to your site's offerings, whether it be more occupational health services or wellness programs.

## A HEALTHY WORKSITE

In addition to holding down costs and providing convenient care, the advantages that onsite clinics can provide are substantial. A central site for wellness efforts, a ally in promoting medication compliance, a provider of screening and preventive services, and a selling point for improving recruitment and retention of workers—an onsite clinic can be all these things. Most of all, it can serve as powerful reminder of your company's commitment to your workers' health and wellness.

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