

WORKSITE HEALTH SERVICES 2018

MARKET INTRODUCTION AND VENDOR GUIDE

Introduction to



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Driven by a passion and mission to improve the world's healthcare, KLAS is a healthcare-focused research firm whose data helps provider, payer, and employer organizations make informed software and services decisions. Powered by insights and experiences discovered in 25,000+ interviews with these organizations each year, KLAS' work creates transparency in the healthcare market and acts as a catalyst for vendors to improve their products and services.

Market Introduction

This market introduction and vendor guide represent a purposeful focus by KLAS to explore areas in which new trends and opportunities are reshaping how healthcare is accessed and delivered. In this case, the area of focus is worksite health services. KLAS defines worksite health services as employer-sponsored healthcare delivery (i.e., on-site clinics) and prevention services done at or near the employer worksite.

The insights in this report reflect discovery and scoping work done by KLAS and were compiled from numerous sources, including KLAS interviews with vendors, industry associations, and employer organizations. Vendor-specific data represented here incorporates not only KLAS' (early) understanding but also a significant level of vendor-reported information. In the future, KLAS plans to do additional research on worksite health services in order to incorporate customer feedback on themes such as why vendors were selected, the quality of the services delivered, and the actual value received.

KLAS Framework for Worksite Health Services | Three overall areas are highlighted in KLAS' framework:



Vendor Company & Market Information

Vendor history and experience, estimated customer base, financial structure



Vendor Delivery Model

Most common delivery and contracting model, geographical operating coverage



Vendor Offerings and Capabilities

Services offered by the vendor, ranging from primary care to design of the building where the healthcare services will be provided

Employer Organization Approaches & KLAS Report Focus

Employer organizations typically take one of the following approaches to providing worksite health services:

Approach 1 | Engage/contract with a dedicated **third-party vendor** for worksite clinics and health services.

Approach 2 | Adopt a **do-it-yourself** approach in which the employer organization resources their own clinical staff and provides health services to their employees on their own.

Approach 3 | Adopt a **hybrid** approach in which the employer organization contracts with a vendor for some worksite health services but also provides some worksite health services on their own. (Note: Instead of contracting with a traditional dedicated third-party vendor, some employer organizations may contract with a local hospital or health plan for worksite health services).

This research focuses on dedicated third-party vendors that offer worksite health services, as described in Approach 1. Hospitals or health plans that provide similar services and employer organizations that take a do-it-yourself approach are not part of the scope of this research.

Worksite Health Services Vendors: Who's Who?

In recent years, the concept of worksite clinics and health services has seen renewed attention and growth. Three goals are often top of mind for employer organizations when engaging a third-party vendor for worksite health services: (1) improve employee health, (2) reduce healthcare costs, and (3) encourage employee engagement and loyalty. This report provides a high-level look at and comparison of the major service providers (vendors) in this market.



Company & Market Information

Vendor Participation in KLAS Initial Research Efforts	Years Offering Solution in This Market	Most Common Customer Organization Size	KLAS-Estimated Customer Base	KLAS-Estimated Vendor Annual Revenue Range	Funding Structure
<ul style="list-style-type: none"> Full Partial 	<ul style="list-style-type: none"> <3 4-9 10-15 16-25 26-35 36+ 	<ul style="list-style-type: none"> Small (<1K employees) Midsize (1K-5K employees) Large (>5K employees) 	Employer Sponsored Clinics <ul style="list-style-type: none"> <10 11-25 26-50 51-100 101-200 201+ 	<ul style="list-style-type: none"> <\$10M \$11-\$25M \$26-\$50M \$51-\$100M \$101-\$300M \$301M+ 	<ul style="list-style-type: none"> Private Public
<ul style="list-style-type: none"> Activate Healthcare CareATC CareHere Cerner Concentra Crossover Health Medical Group Healics (Interra Health) Healthstat InHouse Physicians Marathon Health Medcor One Medical OnSite Care* Optum OurHealth Paladina Health Premise Health QuadMed Vera Whole Health Verve Health (Repuicare) WeCare TLC* 					



Vendor Delivery Model Information

Insufficient information or vendor may not offer

Most Common Delivery Model	Most Common Contracting Model	Most Common Emerging Contracting Model	Geographical Coverage (Number of States)
<ul style="list-style-type: none"> OS On-site care NS Near-site care SC Shared-employer clinics 	<ul style="list-style-type: none"> Cost Plus Monthly Rate PMPM and/or PEPM† Fee for Service Shared Risk 		<ul style="list-style-type: none"> <5 6-10 11-20 21-30 31-40 41-50
<ul style="list-style-type: none"> Activate Healthcare CareATC CareHere Cerner Concentra Crossover Health Medical Group Healics (Interra Health) Healthstat InHouse Physicians Marathon Health Medcor One Medical OnSite Care* Optum OurHealth Paladina Health Premise Health QuadMed Vera Whole Health Verve Health (Repuicare) WeCare TLC* 			

*Currently limited regional/geographic client footprint

†PMPM: Per member per month; PEPM: Per employee per month. Please see definitions on page 4.

The list of vendors in this report is not comprehensive. Those vendors included are understood to provide a majority of the services in the KLAS worksite health services framework. Those vendors who aren't referenced here but provide a majority of the worksite health services in KLAS' framework are encouraged to contact KLAS for inclusion consideration and criteria in subsequent KLAS reports in this area.

Regarding the columns highlighting vendors' most common delivery models, contracting models, and emerging contracting models, it should be noted that most vendors offer a majority or sometimes even all of the possible options. Highlighting a vendor's most common approach is intended to help employer organizations gain insight into how vendors differ. It should not be construed as an indication that vendors do not provide other options.

Worksite Health Services Vendors: Who Does What?

An employer organization’s decision to bring on a third-party vendor for worksite health services quickly brings into the spotlight a number of unique needs and complex considerations. While nearly all worksite health vendors offer on-site clinics, the variation among other available service offerings and actual contracts with clients can be great. The following chart provides high-level transparency into vendor-reported capabilities, as well as brief KLAS observations on each vendor.

KLAS Insights on Vendors

- Activate Healthcare:** Purposeful focus on shared multi-employer clinics appears fairly unique in this market; patient engagement and “integrated” healthcare are important priorities noted by the vendor.
- CareATC:** Midsize firm with focus on multi-employer clinics; emphasis on using self-developed technology and analytics specific to worksite health is important to the vendor.
- CareHere:** Healthy concentration of small employer clients; key values listed by the vendor include complete cost transparency and long-term savings for clients.
- Cerner:** Healthcare technology solutions & market share with providers are unique attributes; vendor sees leadership commitment from clients as most critical factor to employer organization success with worksite health.
- Concentra:** Perhaps most known for occupational health; operates “retail” clinics and growing number of on-site clinics; convenience of occupational and urgent care access is a strategic priority for the vendor.
- Crossover Health Medical Group:** Smaller, relatively newer company with large on-site clinics and large customers; vendor prides themselves on having a disruptive, technology-enabled model.
- Healics (Interra Health):** Healics/Interra merger created interesting combination of on-site care (Interra) and wellness/coaching (Healics); leadership with clinical experience/background is vendor-asserted differentiator.
- Healthstat:** Mid-sized firm appearing to offer broad array of services; integrating behavior-based change tools and messaging into population health programs is a focus for the vendor.
- InHouse Physicians:** Very unique background in overseas clinics and temporary/event-based on-site clinics; vendor views high-touch approach with clients as key strength.
- Marathon Health:** Well-known and often-referenced service provider serving mostly large clients; population health approach and programs are key highlights reported by the vendor.
- Medcor:** Historical focus on occupational health, though that is changing; key priorities include following evidence-based medicine and pursuing a model that avoids revenue from referrals and other conflicts of interest.
- One Medical:** Flexible, membership-based model appears interesting and somewhat unique; care availability via 24/7 virtual care is reported by the vendor as key selection criteria for clients.
- OnSite Care:** Has carved out niche as a smaller, regional vendor; sees its local market presence and clinical executive leadership as the main draws.
- Optum:** Largest overall company by size among those noted here, though newer to on-site clinic business (via acquisition); ability to provide extensive services is differentiator reported by the vendor.
- OurHealth:** Primary approach is on-site care with somewhat concentrated geographical coverage. Vendor says that targeting and facilitating high patient engagement rates is what makes them stand
- Paladina Health:** Smaller, quickly growing firm that is part of DaVita, though not yet well-known; having a population health strategy and highly trained physicians at every clinic are core focuses for the vendor.
- Premise Health:** Largest on-site clinic vendor in terms of customer footprint and revenue, with growth occurring both organically & through acquisitions; ability to provide one-stop services is key value proposition.
- QuadMed:** Began in on-site care services by servicing its own large employee population for 10+ years; vendor reports very high patient satisfaction as key hallmark.
- Vera Whole Health:** As of today, may be only vendor doing full risk in contracting; focus on patient behavior change and putting fees 100% at risk are vendor’s stated highlights.
- Verve Health (Repubcare):** Still-emerging company serving small employers with currently small geographic presence; vendor-reported hallmarks are taking custom approach for each client & providing nimble service.
- WeCare TLC:** Broad services for small vendor with concerted focus and model largely based on multi-employer clinics; self-developed clinical technology represents area in which vendor sees themselves as a leader.



Vendor Offerings & Capabilities

The vendor capabilities and offerings noted below are largely based on the responses and reporting of individual vendors. While KLAS assumes honesty and good intent by all vendors participating in this research, we also encourage employer organizations to do additional due diligence with vendors when looking into actual capabilities, which in some (select) cases could vary from claimed capabilities. See next page for definitions of services.

- Broad (offers majority to full services)
- ⓘ Partial (offers limited to partial services)
- Not offered
- ⊘ Insufficient information or vendor may not offer

*Currently limited regional/ geographic client footprint	Core Worksite Health Services			Additional Worksite Health Services						
	Urgent Care Services	Primary Care & Chronic Condition Management Services	Health & Wellness Coaching Services	On-Site Pharmacy Services	On-Site Imaging Services	On-Site Laboratory Services	Physical Center Design & Installation Services	Occupational Health Services	Telehealth Services	Behavioral Health Services
Activate Healthcare				ⓘ	ⓘ	ⓘ	●	●	●	●
CareATC				●	ⓘ	●	●	●	●	●
CareHere				●	ⓘ	●	●	●	●	●
Cerner				●	●	●	●	●	●	ⓘ
Concentra				ⓘ	ⓘ	ⓘ	●	●	●	—
Crossover Health Medical Group				●	●	●	●	ⓘ	ⓘ	●
Healics (Interra Health)				ⓘ	ⓘ	●	●	ⓘ	●	ⓘ
Healthstat				●	●	●	●	●	●	●
InHouse Physicians				ⓘ	●	●	ⓘ	●	●	—
Marathon Health				ⓘ	ⓘ	●	●	●	ⓘ	●
Medcor				ⓘ	ⓘ	ⓘ	ⓘ	●	ⓘ	⊘
One Medical				—	—	●	●	●	●	●
OnSite Care*				ⓘ	ⓘ	ⓘ	●	●	ⓘ	ⓘ
Optum				●	ⓘ	●	●	●	●	ⓘ
OurHealth				●	—	●	●	●	●	ⓘ
Paladina Health				ⓘ	—	ⓘ	●	ⓘ	●	ⓘ
Premise Health				●	●	●	●	●	●	●
QuadMed				●	ⓘ	●	ⓘ	●	●	ⓘ
Vera Whole Health				ⓘ	—	●	●	●	●	ⓘ
Verve Health (Repubcare)				●	—	●	●	●	ⓘ	●
WeCare TLC*				●	●	●	●	●	●	ⓘ



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REPORT INFORMATION

VENDOR OFFERINGS & CAPABILITIES DEFINED:

Urgent Care Services: Encounter- or episodic-based on-site care services provided by either physicians, nurses, or PAs.

Primary Care Services: On-site acute and chronic care services provided by physicians and/or other experienced clinical staff.

Chronic Condition Management Services: Dedicated resources and ongoing focus to actively manage patients' chronic conditions.

On-Site Pharmacy Services: On-site prescription drug dispensing or retail pharmacy.

On-Site Imaging Services: On-site radiology and imaging services.

On-Site Laboratory Services: On-site lab testing services.

Physical Center Design & Installation Services: Design and installation of physical space for on-site care.

Occupational Health Services: Drug screening, pre-employment testing, and treatment for work injuries.

Telehealth Services: Remote access to care advice/services for off-hours and off-site employee populations.

Behavioral Health Services: Services for mental health and/or chemical dependency patient needs.

Health & Wellness Coaching Services: Dedicated on-site coaching services/programs for lifestyle and wellness.

COMMON CONTRACTING MODELS DEFINED:

Cost Plus: Pricing based on a specific margin (or profit factor) being added onto the actual costs required to deliver the agreed-upon service(s).

Monthly Rate: Pricing based a specific rate that is paid on a monthly basis; usually requires a vendor-specified contract duration length.

PMPM and/or PEPM: Per member per month and/or per employee per month. While the PMPM and PEPM contracting models may differ slightly in terms of number of individuals covered (i.e., coverage for only the individual employee or coverage for the individual employee and their spouse/partner, dependents, etc.), both models typically incorporate a monthly rate that is charged on an aggregate level for a population of eligible/subscribing members.

Fee for Service: Pricing aligned with and specifically based on the quantity of healthcare services delivered.

Shared Risk: Non-traditional approach in which significant shared risk is the primary contractual arrangement and customer payment to the vendor (which may represent a gain or loss) is based on actual outcomes.

READER RESPONSIBILITY:

KLAS' website and reports are a compilation of research gathered from websites, healthcare industry reports, interviews with healthcare organization executives and managers, and interviews with vendor and consultant organizations. Data gathered from these sources includes strong opinions (which should not be interpreted as actual facts) reflecting the emotion of exceptional success and, at times, failure. The information is intended solely as a catalyst for a more meaningful and effective investigation on your organization's part and is not intended, nor should it be used, to replace your organization's due diligence.

We encourage our clients, friends, and partners using KLAS research data to take into account these variables as they include KLAS data with their own due diligence. For frequently asked questions about KLAS methodology, please refer to the KLAS FAQs.

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ABOUT KLAS:

For more information about KLAS, please visit our website.

OUR MISSION:

KLAS' mission is to improve healthcare through transparency, insights, and collaboration

FEEDBACK AND THANK YOU:

KLAS is privileged to work with some of the brightest and most influential leaders in the healthcare industry, including stakeholders at customer organizations and vendor organizations. KLAS is thankful for the contributions offered by these leaders to help shape this first introductory report. Special acknowledgment goes to NAWHC, an association dedicated to worksite health services, for their active input and participation. **Learn more at** www.nawhc.org.