



Worksite Health Centers at MillerCoors

**PRESENTED TO THE NATIONAL ASSOCIATION OF
WORKSITE HEALTH CENTERS**

JAMES SHEERAN, DIRECTOR OF BENEFITS

SEPTEMBER 10, 2014



Who Is MillerCoors?

- Second largest beer brewer in the United States
- The result of a July 1, 2008 joint venture between Molson Coors and SABMiller PLC
- 8500 employees
 - Operating facilities in eight states
 - Sales and marketing in all 50 states
- Both union and non-union employees
- Approximately \$135 million in annual health care spend for both active and retired employees



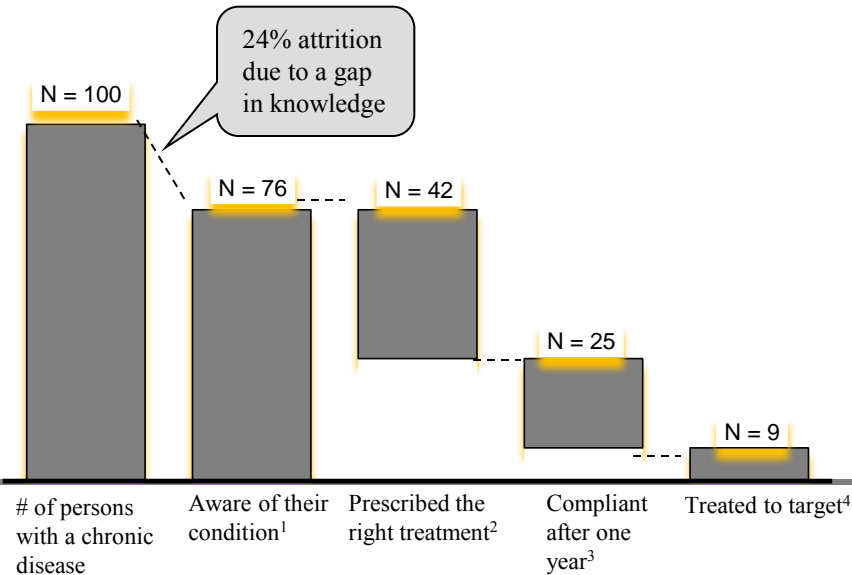
Why Do Anything Different?

Compelling reasons exist for employers to seek innovative solutions to actively engage employees in their health care

Market forces

- The aging workforce is increasingly less healthy
- Primary care physician shortages will increase as 33 million individuals enter the insured “system”
- Cost shifting will continue to the private sector
- The excise tax is looming for 2018

Clinical Pathway of Attrition



People are not receiving the right care or complying with treatment guidelines

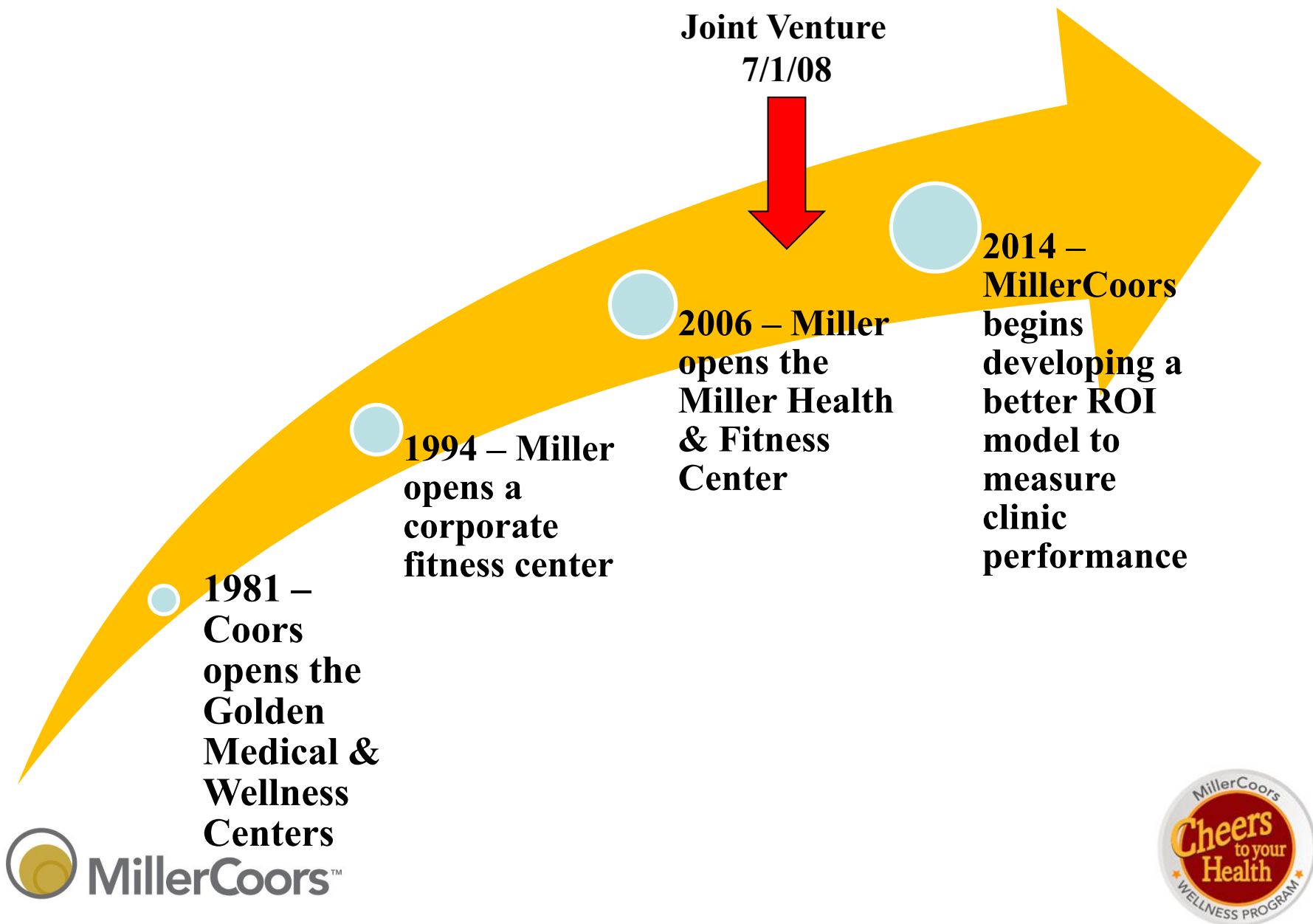
¹ American Diabetes Association: <http://www.diabetes.org/diabetes-basics/diabetes-statistics/>

² Rand Corporation *U.S. Health Care: Facts About Cost, Access, and Quality*

³ Cramer JA, et al. The Significance of Compliance and Persistence in the Treatment of Diabetes, Hypertension and Dyslipidaemia: A Review. *Int J Clin Pract* 2008 January; 62(1): 76–87.

⁴ CDC: National Health and Nutrition Examination Survey (NHANES)

Evolution of Onsite Health Facilities At MillerCoors



Onsite Health Centers

Golden Colorado	Milwaukee Wisconsin
5,800 sq. ft. medical facility 23,000 sq. ft. fitness facility	5,000 sq. ft. medical facility attached to 5,000 sq. ft. fitness facility
Focus is on workers compensation management and disability return to work programs. Primary care has been secondary.	Focus is on primary care with workers compensation management secondary.
10.5 FTE including physician, nurse practitioner, RTW case manager, hearing technician.	8.5 FTE including physician, physician assistant, RN, PT and Fitness Coordinators.
Ancillary services include X-ray and workers compensation case management for contract workers.	Ancillary services include X-ray, lab, physical therapy and fitness programs.
Managed by Take Care Health (Waterstreet)	Managed by Quad Med LLC

Evolution of Clinics at MillerCoors – Coors Brewing

- Golden Medical Center
 - Started in 1981 as the result of Coors leadership (Bill Coors) having a personal health experience that soured him on the medical system
 - Originally staffed with medical professionals, including OB-GYN & pediatrician who were Coors employees
 - No financial analysis, no ROI – just belief
 - Partnered with wellness staff (also Coors employees) to create best in class wellness/productivity program in early 90's
 - Subsequently outsourced medical and wellness management
 - While company commitment remains strong, focus on medical clinic has waned
 - Working to rebuild primary care focus and integrate with other programs



Evolution of Clinics at MillerCoors – Miller Brewing

- Miller Health and Fitness Center
 - Opened in 2006 driven by brewery operations' desire to control workers compensation costs
 - Original ROI included many erroneous assumptions regarding cost of services, utilization, workers compensation savings
 - Disconnect between service provider view of clinic and brewery safety department's view of how services should be provided
 - Several years spent building lost employee trust through communication and collective bargaining representation on clinic oversight committee
 - Joint venture resulted in significant reduction in Milwaukee employee base – clinic utilization dropped
 - Working to rebuild and increase utilization and coordinate with other programs



2013 Financial Results – Per Dollar Spent

	Golden Colorado		Milwaukee Wisconsin	
Occupational Health	Hard Dollar	\$0.16	Not Measured Separately	
	Soft Dollar	<u>1.13</u>		
	Total	\$1.29		
Primary Care	Hard Dollar	\$0.36	Hard Dollar	\$0.80
	Soft Dollar	<u>.92</u>	Soft Dollar	<u>.40</u>
	Total	\$1.18	Total	\$1.20

Hard dollar savings = Actual claims avoided based on actual amounts paid by CPT code by UHC for MillerCoors
 Soft dollar savings = Specialists/ER visits avoided, MDA return-to-work guidelines vs actual, time savings etc.



What Does It Mean?

- Breaking even on hard dollar savings is a good target – but might not be easily achieved
- A broad approach is required to achieve strong results, including total integration with other programs
 - Disease and condition management
 - Wellness
 - EAP
- Avoid the “If you build it they will come” myth
 - Constant communication
 - Location...Location...Location
 - Population demographics
- Changes in sponsor management and focus can have a significant impact on clinic results

Lessons Learned

- There is a real difference between how different vendors manage clinics and the way each vendor manages clinics evolves over time. Chose a vendor that shares your vision, and watch to see if this changes.
- Clinic staffing is also key. Make sure that the staff, in particular the medical director and/or the clinic manager share your vision of what you want to accomplish.
- The cooperation of your related vendors(health carrier, wellness, EAP etc) is key to delivering the best service and achieving ROI.
- Keep union leadership involved during implementation and ongoing oversight. They can be your biggest champions
- The legal ramifications are becoming larger and must be given attention
 - ERISA plan and clinic included in SPD
 - COBRA administration
 - Integration with HDHP
 - Inclusion of clinic costs in W-2 reporting

What's Next for MillerCoors Clinics?

- Continue to evolve clinic evaluation model
 - Drive hard dollar ROI
 - Comparison of clinic users to general population
 - Cost per chronic condition
 - Average length of stay
 - “Searching for ROI”???
- Developing stronger bond between clinic and related vendors
 - Seamless referral process to leverage UHC’s Critical Care Management Unit
 - Focus attention on specific chronic health conditions (i.e. diabetes management)
 - Enhancing integration between outsourced wellness vendor - Health Fitness Corporation - and clinics
- Integrate clinic and UHC for purposes of HDHP/HSA plan administration