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NATIONAL ASSOCIATION OF WORKSITE HEALTH CENTERS

Special Report on Employer Worksite Clinics

An Evolving Employer-Based Healthcare Delivery System

Developed by Benfield, a part of the Gallagher Human Resources & Compensation Consulting Practice in partnership with the **National Association of Worksite Health Centers** (NAWHC)

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Introduction

The worksite clinic market represents an evolving healthcare delivery channel for primary and specialty care. The National Association of Worksite Health Centers (NAWHC) and Gallagher-Benfield conducted research in 2018 to study this market and increase the ability of employers to benchmark their worksite clinic operations.

This report includes findings from an in-depth survey of 109 employers.

Key research findings include:

- Adoption & growth of worksite clinics is expected to continue
- High quality care is delivered via worksite health clinics
- Employer approach to clinic decision making and management varies based on organizational priorities and internal expertise
- Measuring and achieving outcomes is challenging but essential for long-term clinic investment and success

Worksite Clinic Research Panel

109 Employer Surveys

80 with Worksite Clinics

29 without Worksite Clinics*

Employer Participants Industry Classification

39% Manufacturing

9% Education

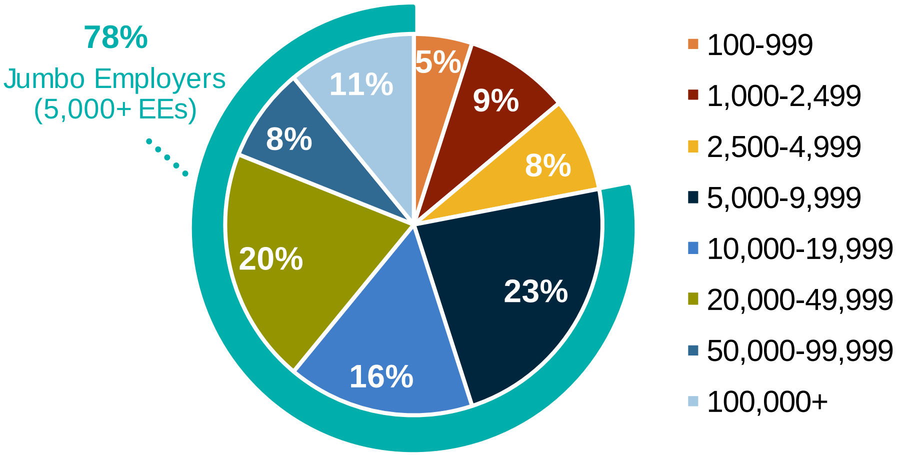
9% Retail

8% Healthcare

6% Finance

5% Hospitality; **5%** Public Entity; **4%** Business Services; **4%** Energy;
4% Transportation; **2%** Construction; **2%** Wholesale; **3%** Other

Employer Participants by # of U.S. Employees



n=80 Employers with worksite clinics
*Those w/o a clinic were asked about future plans and current barriers

Clinic Offerings and Approach

Onsite and Nearsite

Worksite Clinic Models and Characteristics among Surveyed Employers

63%

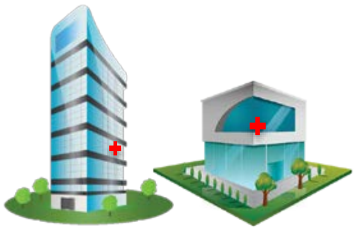
Onsite

Onsite clinics are located on an employer's campus and the services offered typically reflect the needs of that specific location's population

16%

Nearsite

Nearsite clinics are located in close proximity to an employer providing services to one or multiple organizations in the area



21%

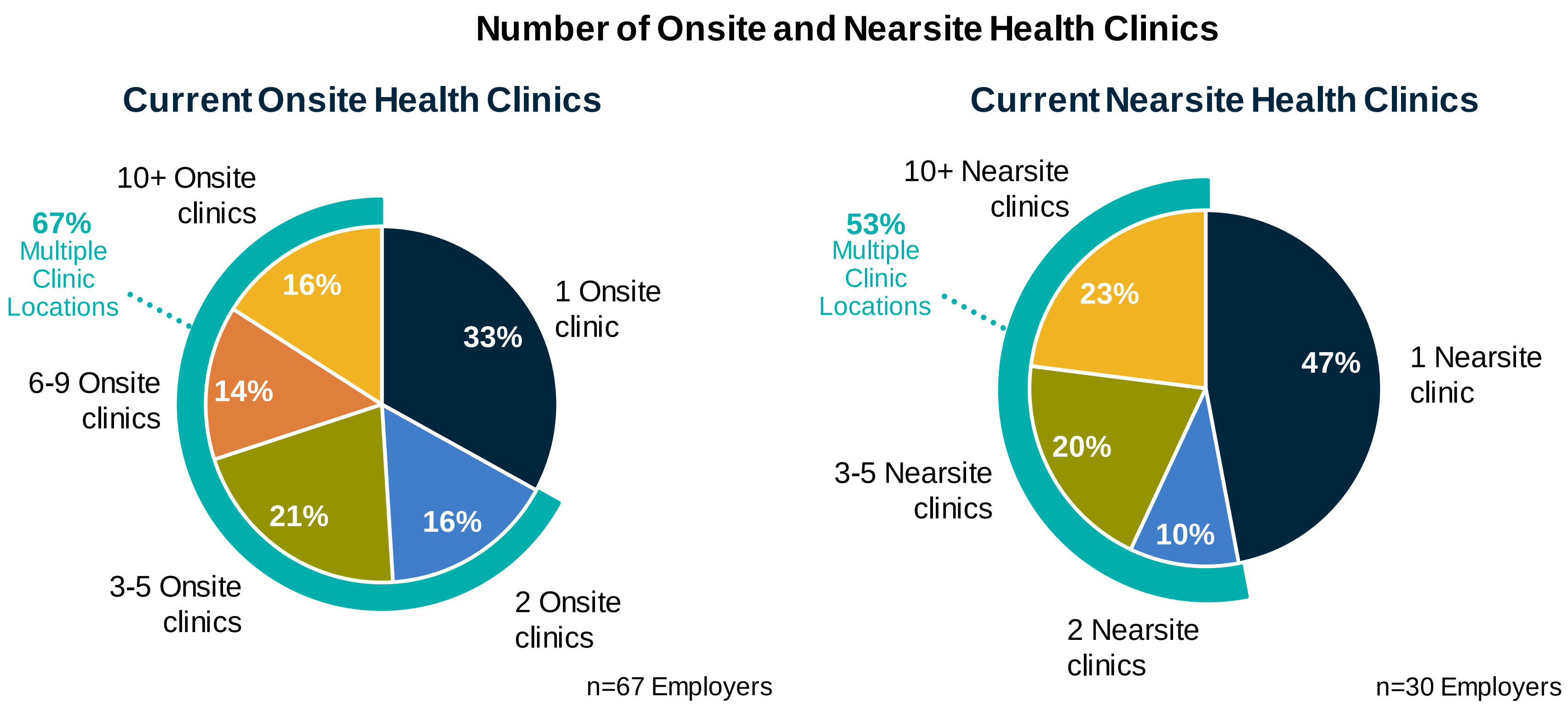
Onsite + Nearsite

Some employers provider a combination of onsite and nearsite clinics to service employees at multiple locations

n=80 Employers

Half of employers (51%) with a worksite clinic plan to add an onsite or nearsite clinic within two years.

A majority of employers favor multiple clinic locations, regardless of clinic type

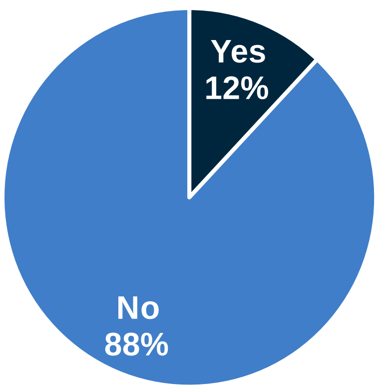


A limited number of employers share their onsite clinic with nearby employers, but 6 in 10 report their nearsite clinic is shared

Shared Employer Clinic

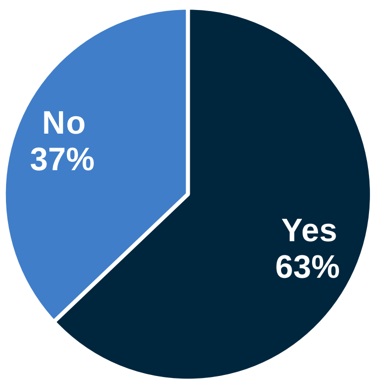
Shared or multi-employer clinics are open to employees from several employers in an area. They can be onsite or nearsite locations.

Shared Onsite Health Clinics



n=67 Employers with an onsite clinic

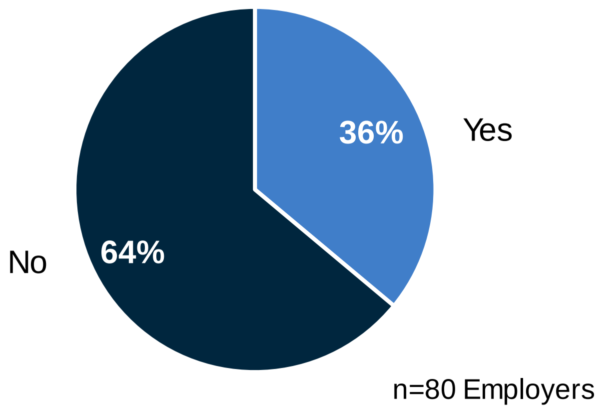
Shared Nearsite Health Clinics



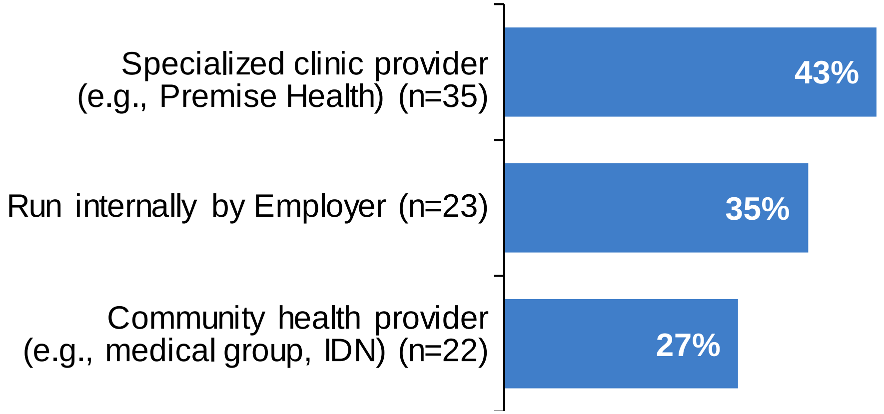
n=30 Employers with a nearsite clinic

Over one-third of existing clinics are accredited, putting them on par with accredited traditional, community-based providers

Accredited by NCQA, The Joint Commission, URAC or AAAHC



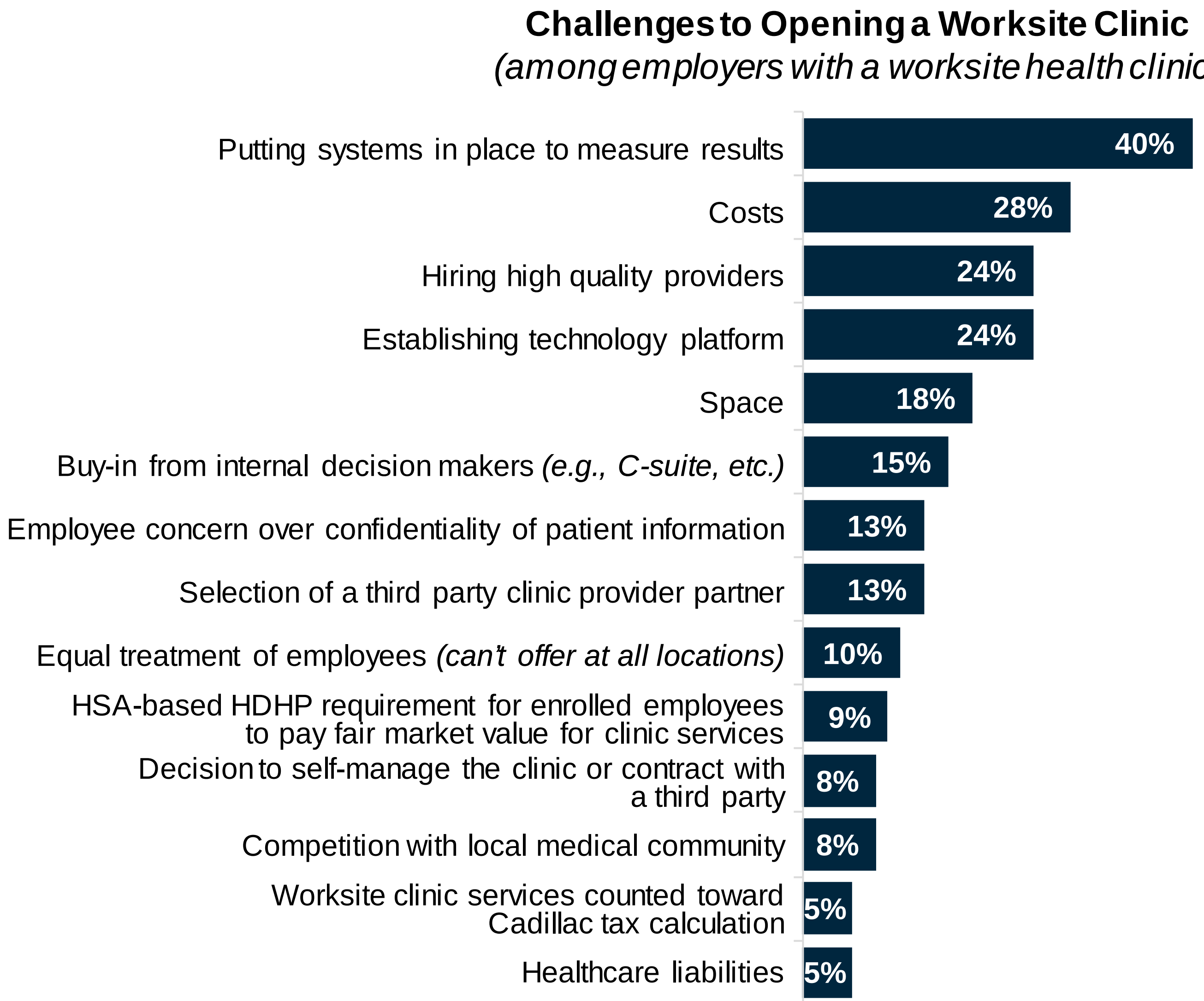
Accreditation Rates by Clinic Management



What does it mean to be accredited by NCQA, The Joint Commission, URAC or AAAHC?

For a worksite clinic, accreditation stands as recognition of a legitimate healthcare facility, practicing at or above the quality of, and with all the capabilities of a traditional community-based provider with the same accreditation(s).

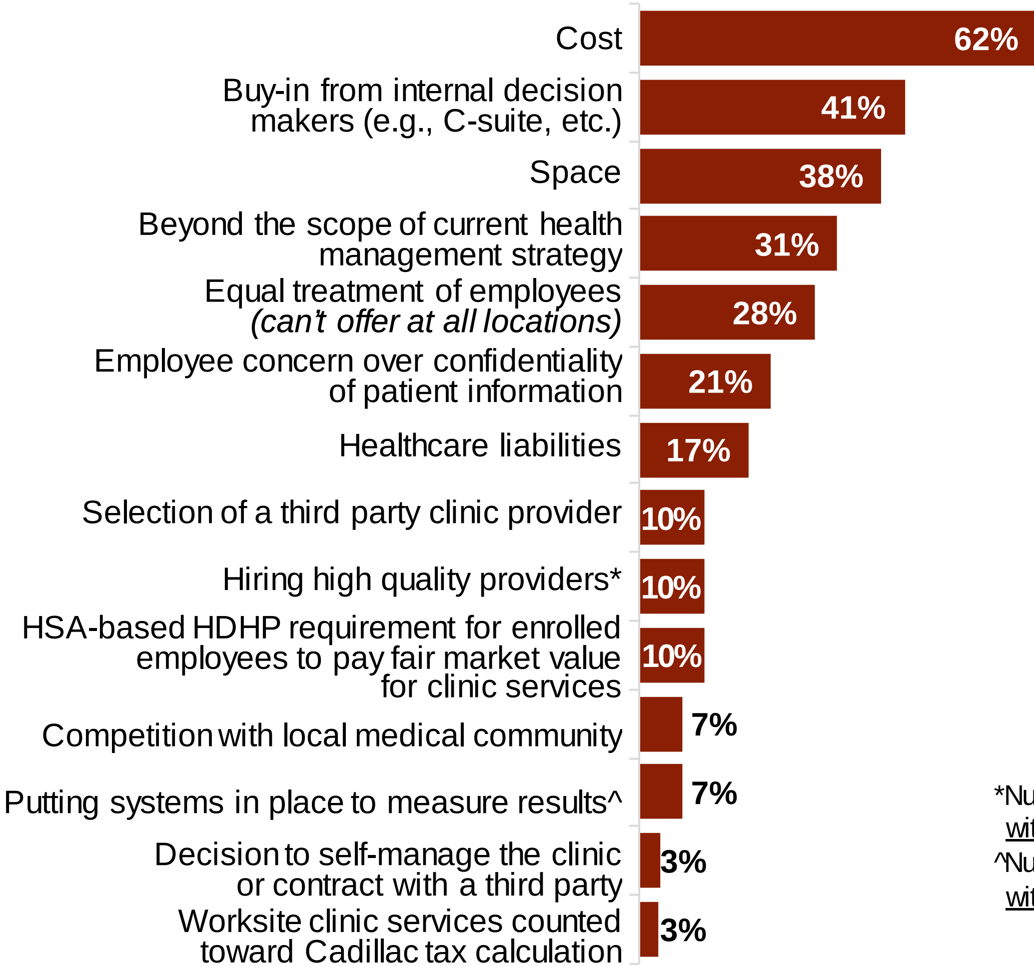
More challenging than costs, employers rate putting systems in place to measure results as the top challenge to opening the clinic

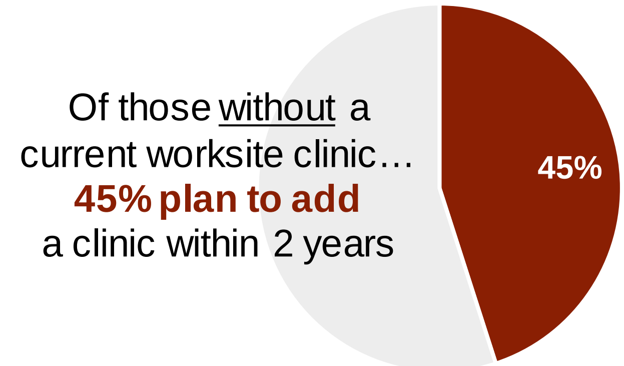


n=80 Employers

For employers that have not adopted worksite clinics, cost and lack of C-suite support are major barriers; Execution challenges like hiring providers and measuring results rank far lower vs. those with a clinic

Top Barriers to Worksite Clinic Adoption Among Employers Without a Worksite Health Clinic *(percentage indicating a top 3 barrier)*





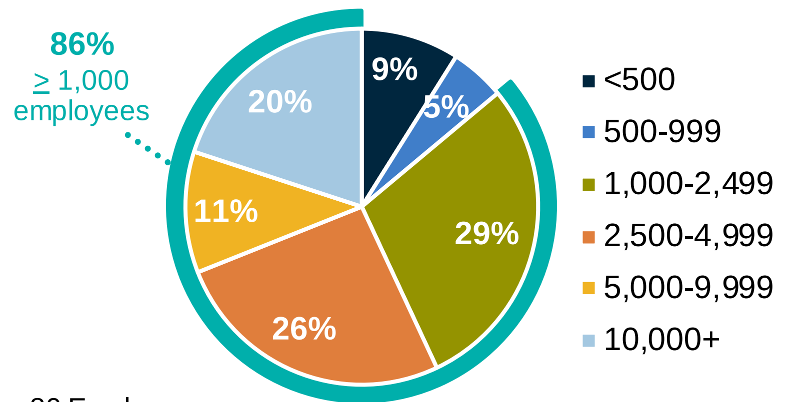
n=29 Employers

*Number 3 challenge for those with a worksite clinic
^Number 1 challenge for those with a worksite clinic

Most employers with a worksite clinic have over 1,000 eligible employees at their largest clinic location, two-thirds rely on external parties to run the clinic, and 59% have 3-10+ healthcare providers

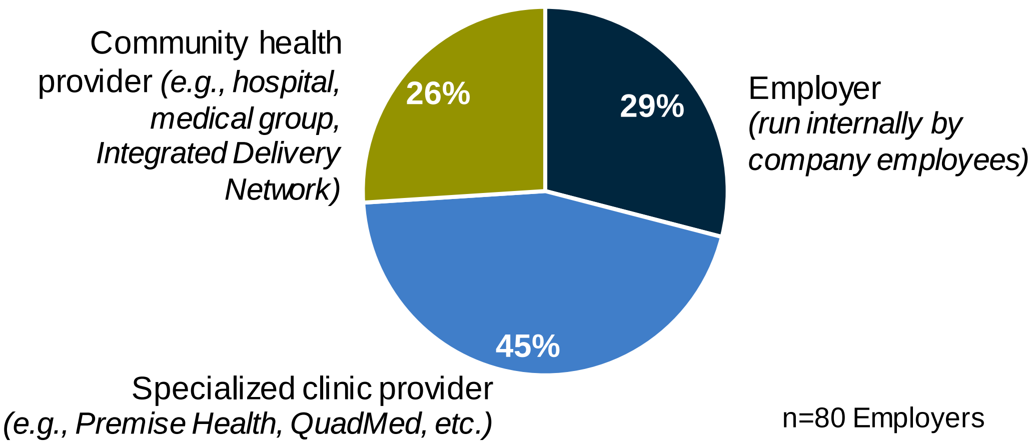
Characteristics of Employers' Largest Health Clinics

Eligible Company Employees at Location



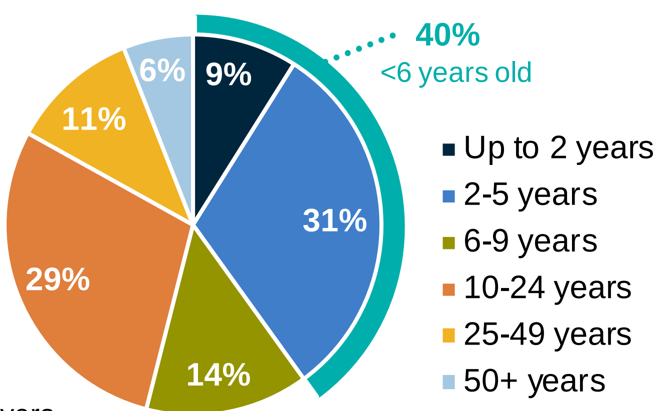
n=80 Employers

Party Responsible for Running Largest Clinic



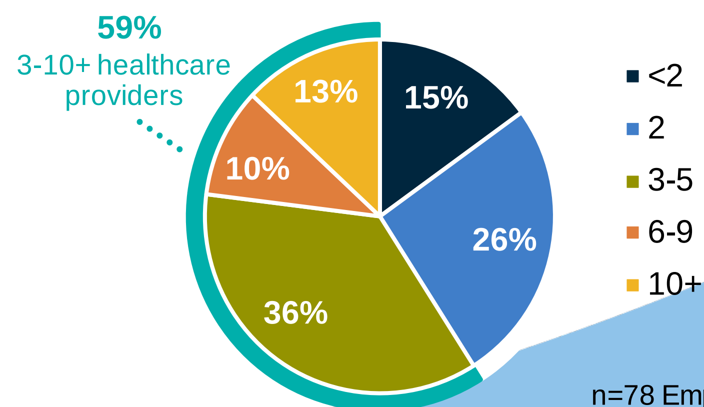
n=80 Employers

Years in Operation



n=80 Employers

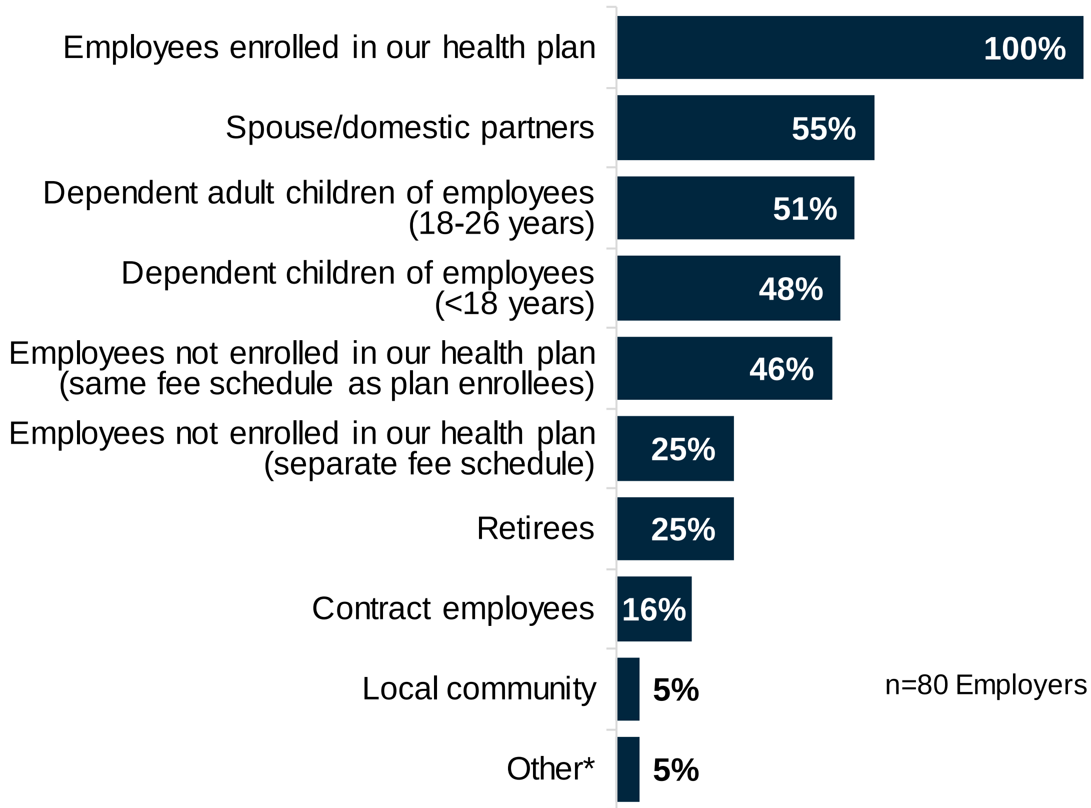
of Licensed Healthcare Providers (FTE)



n=78 Employers

About half of employers allow spouses, dependents and employees NOT enrolled in the health plan to utilize their worksite clinics

Patient Eligibility for Clinics



*Other includes: All employees no fee (2); Dependents on plan ages 3 and up at one location only; Part-time employees working more than 20 hours

Employers remain in control of strategy, vendor relations and services offered; if applicable, clinic providers are heavily involved in patient care, education and operations

Clinic Decision Making Influence by Stakeholder

	C-Suite	VP/Director of Benefits or Medical Director	Employer Clinic Program Manager	Third Party Clinic Provider
Clinic strategy	*SECONDARY*	***PRIMARY***	*SECONDARY*	*SECONDARY*
Clinic partner relations†		***PRIMARY***	*SECONDARY*	
Services offered		***PRIMARY***	*SECONDARY*	*SECONDARY*
Patient care		*SECONDARY**		***PRIMARY***
Employee/patient and clinician educational resources		*SECONDARY*	*SECONDARY*	***PRIMARY***
Day-to-day operations		*SECONDARY*	*SECONDARY*	***PRIMARY***

†If clinic is run by third party provider
*"Primary" if clinic is run internally by company employees.
n=80 Employers

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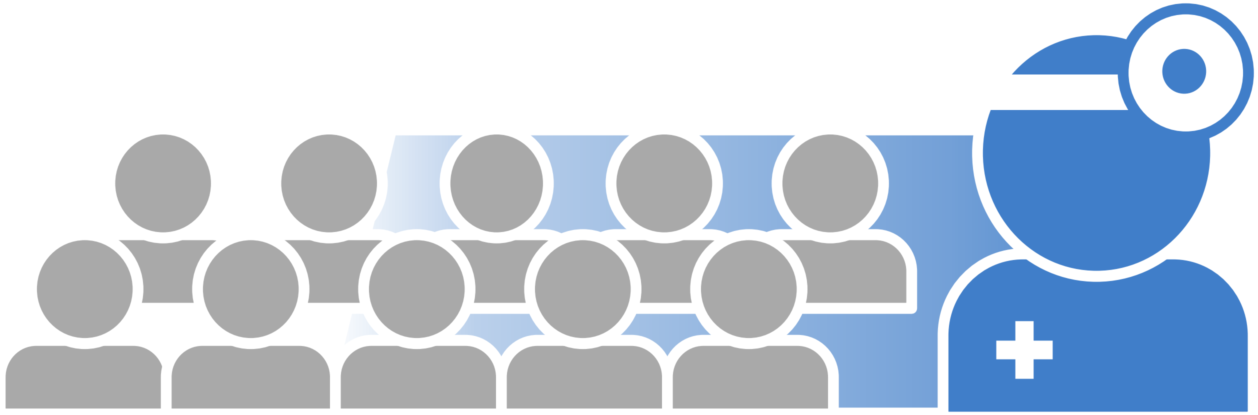
Clinic Services

For many employers, offering worksite clinic services closes a gap for their employees that don't currently have a primary care provider

One in three employers report that

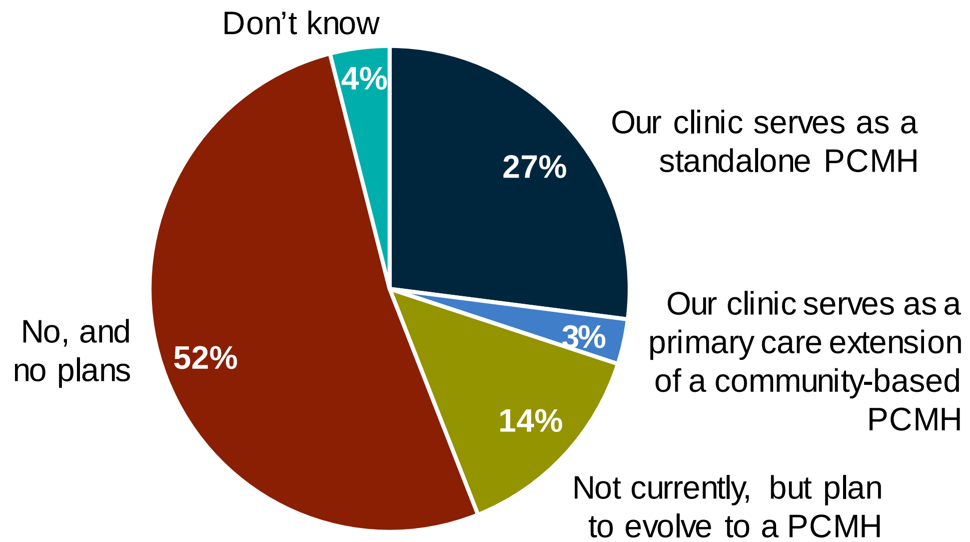
>40% of Clinic Patients are Without a Primary Care Provider



n=80 Employers

One in three respondents have clinics that serve as a patient-centered medical home

Clinic Considered a Patient-Centered Medical Home (PCMH)

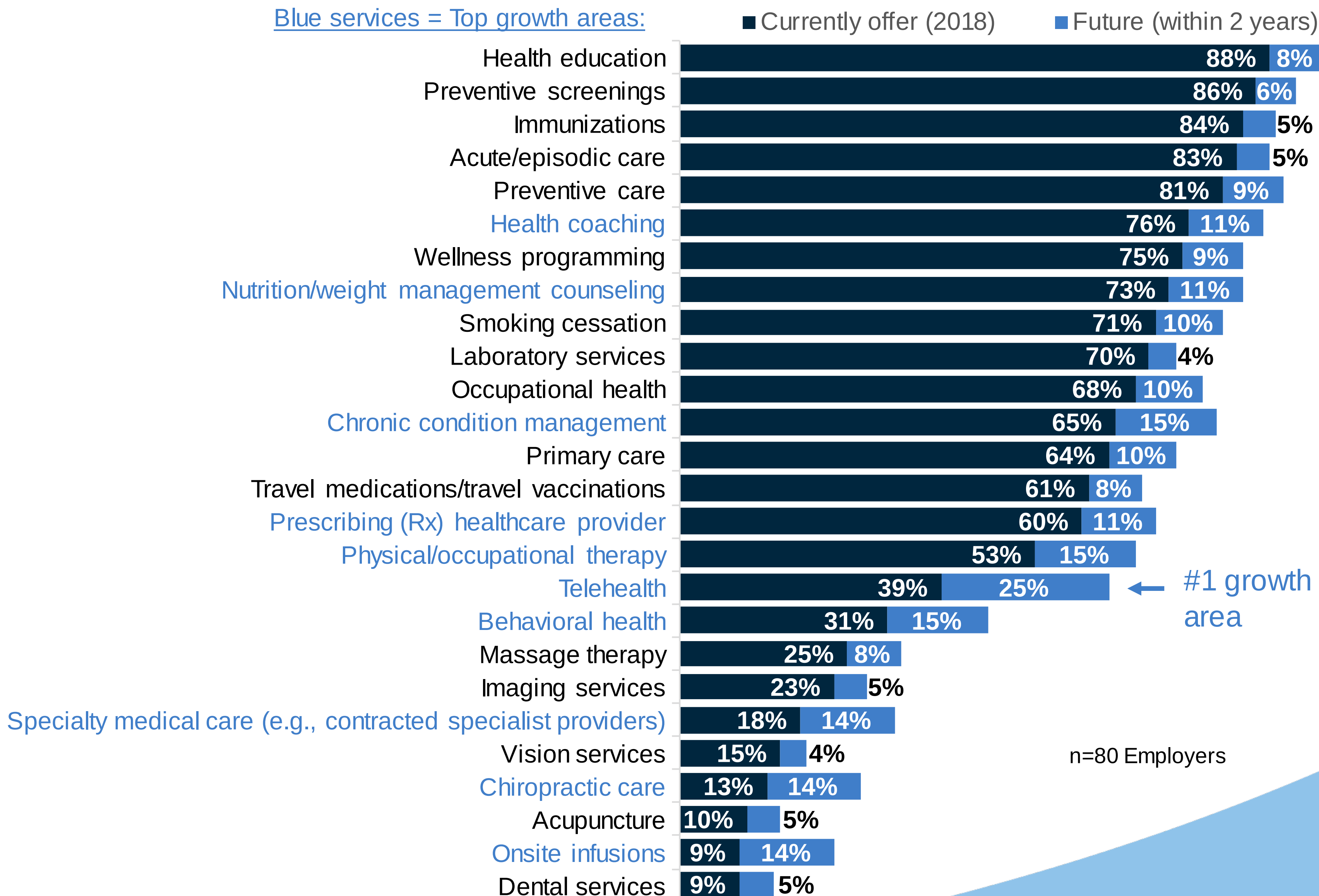


n=80 Employers

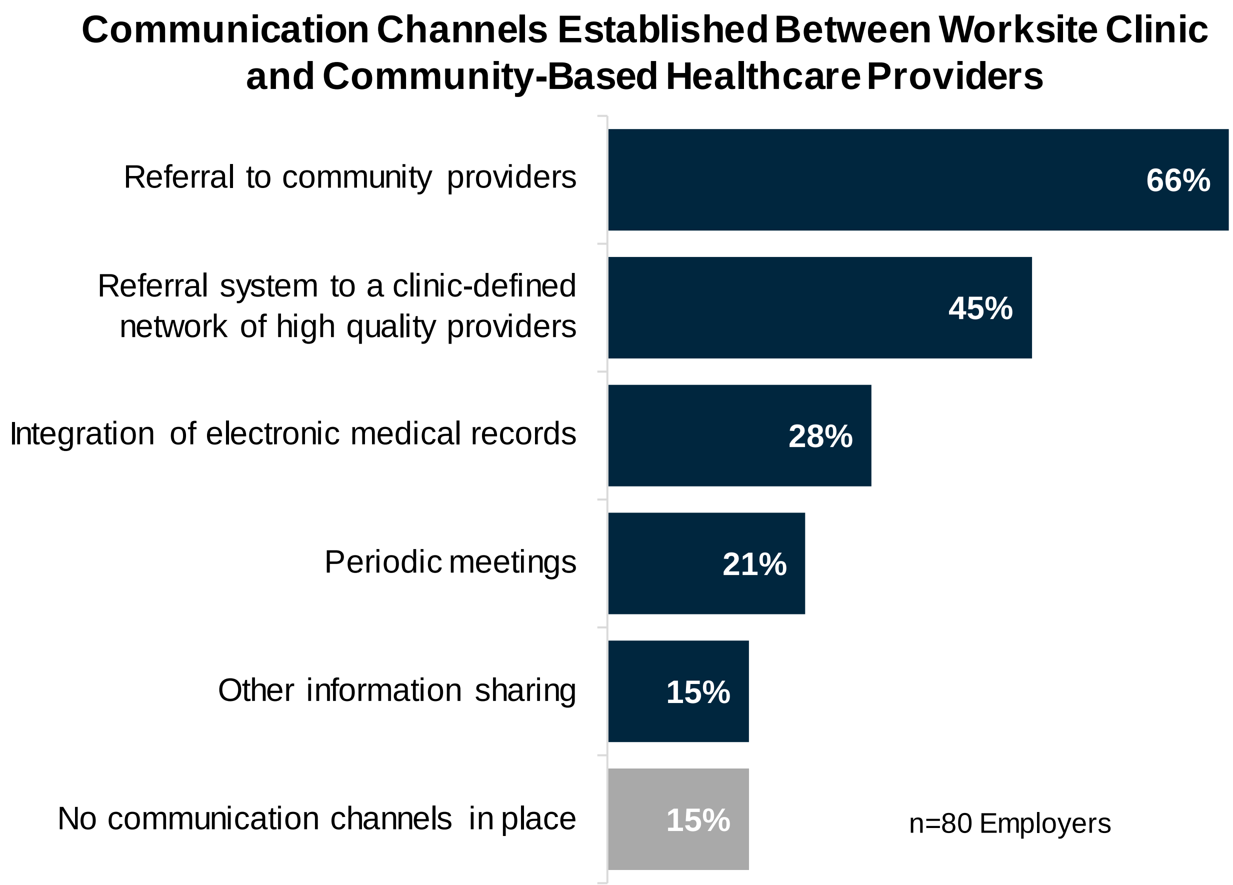
A **patient-centered medical home** is a team-based care delivery model with a primary care emphasis. It focuses on better access and better care coordination to improve quality, effectiveness, adherence and, ultimately, health outcomes.

The evolution of a broad range of clinic services continues, with large clinics leading the way

Services Offered at Largest Clinic Location

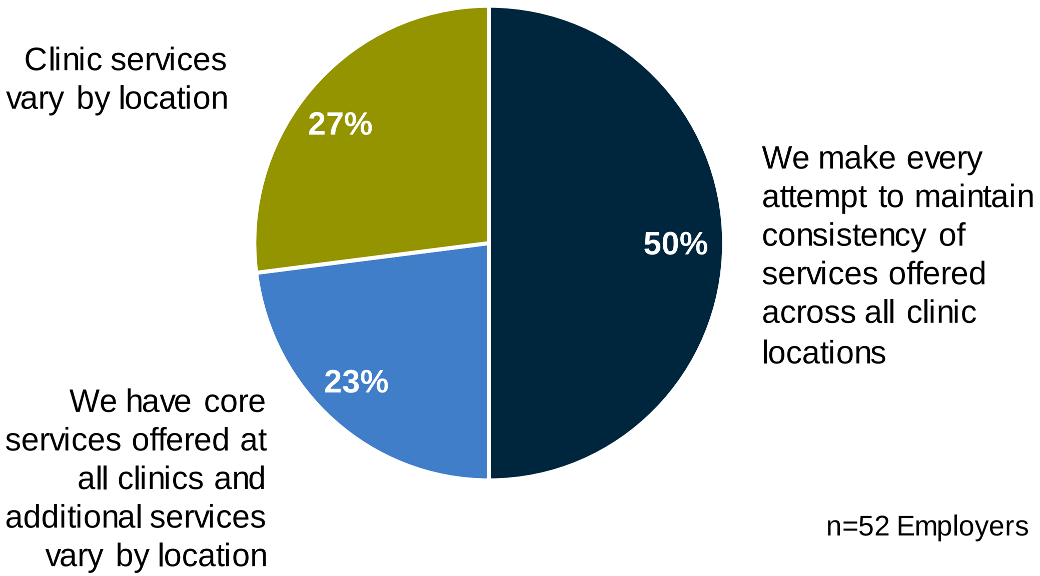


Worksite clinics try hard to connect and integrate services with community-based providers



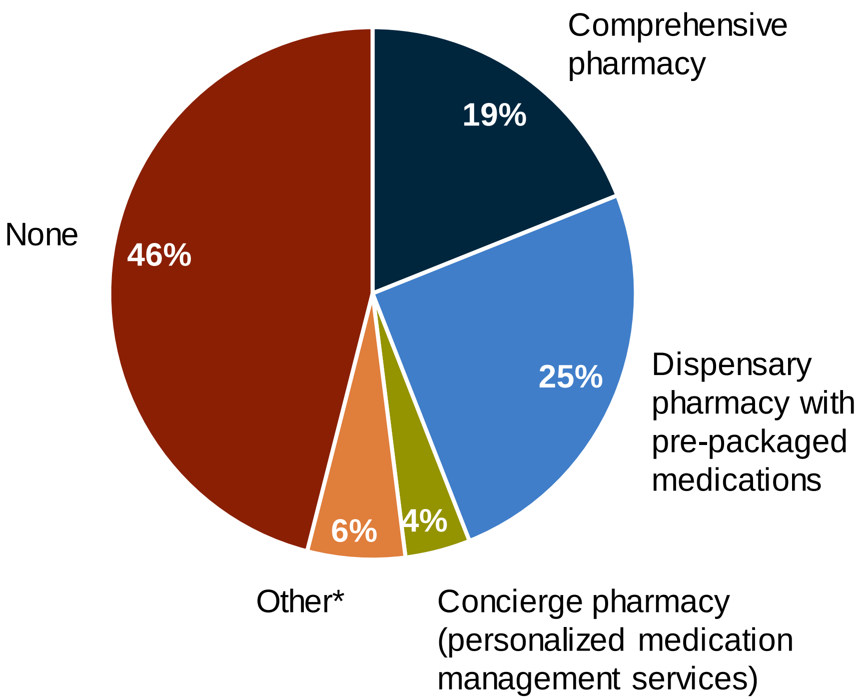
Half of employers prioritize a core set of services across all of their clinics; Clinic service variation is due to specific location needs and/or use of community health clinic provider

Core Service Offerings Across Clinic Locations
(among employers with multiple clinics)



Over half of employers provide worksite pharmacy services—most commonly by dispensing pre-packaged medications or through a comprehensive pharmacy

Worksite Pharmacy Services Offered at Largest Clinic

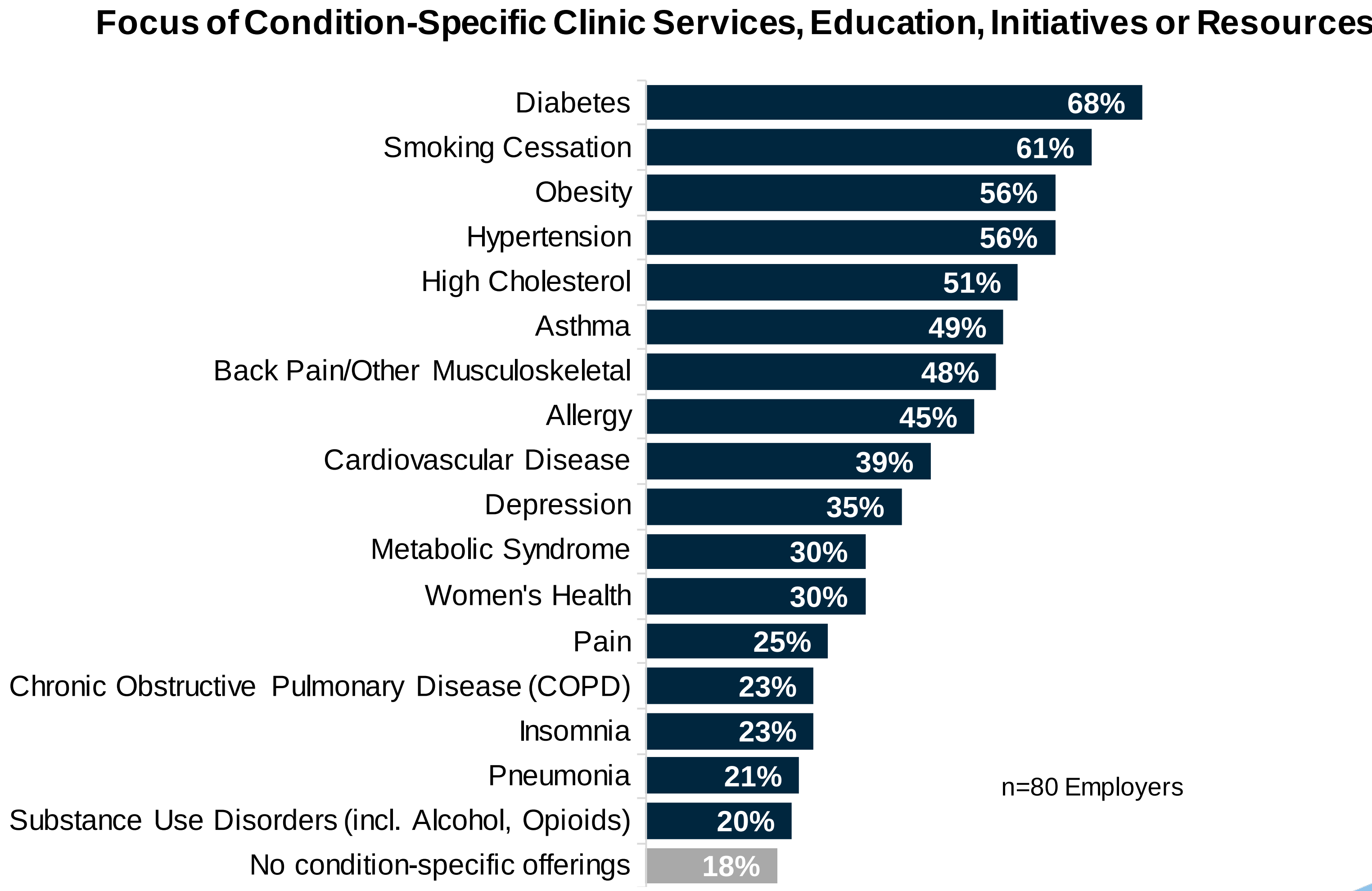


- **Comprehensive Pharmacy:** In addition to dispensing medications, offers a robust range of services to promote patient health through administration of immunizations, medication adherence programs and chronic condition management
- **Dispensary Pharmacy with Pre-packaged Medications:** A limited menu of pre-packaged medications (i.e., generics, antibiotics, acute and maintenance medications) are dispensed at smaller clinics or kiosks, typically without requiring a pharmacist
- **Concierge Pharmacy:** Pharmacist service that focuses on patient support, working in tandem with physician's office or site of care to provide personalized medication management. This includes consultation on drug interactions, lower cost alternatives, patient assistance programs and lifestyle changes

n=80 Employers

*Other includes: Limited first fill only for some meds (2); Pharmacy management, health coaching; We have a FT Pharmacist for consultee services to members and physicians; We offer onsite pharmacy delivery service

82% of employers offer disease-specific clinic offerings, most commonly around diabetes, smoking cessation, hypertension and obesity



<20% provide specific offerings for: Congestive Heart Failure, Migraine, Atopic Dermatitis, Cancer, Crohn's Disease/Ulcerative Colitis, Osteoporosis, Osteoarthritis, Rheumatoid Arthritis, Psoriasis, Hepatitis C, HIV, Hemophilia, Multiple Sclerosis

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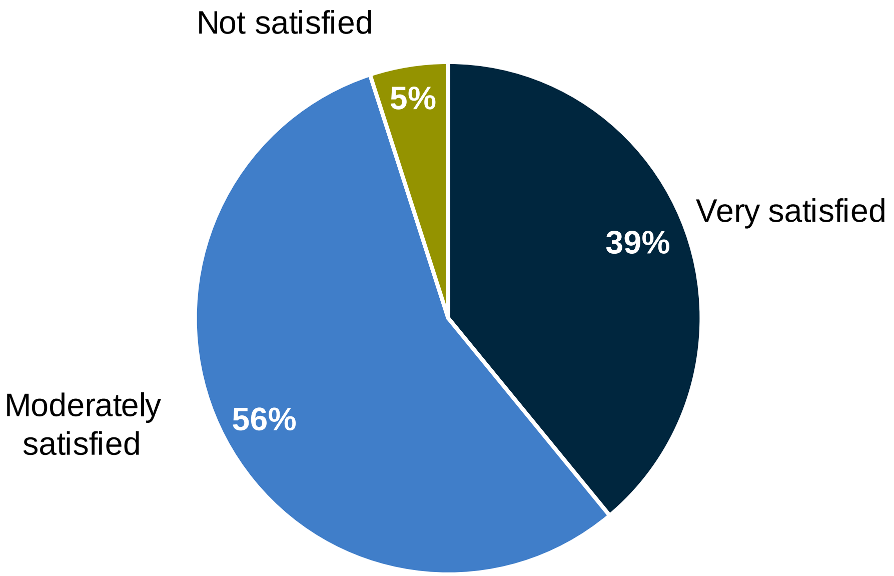
Outcomes & ROI

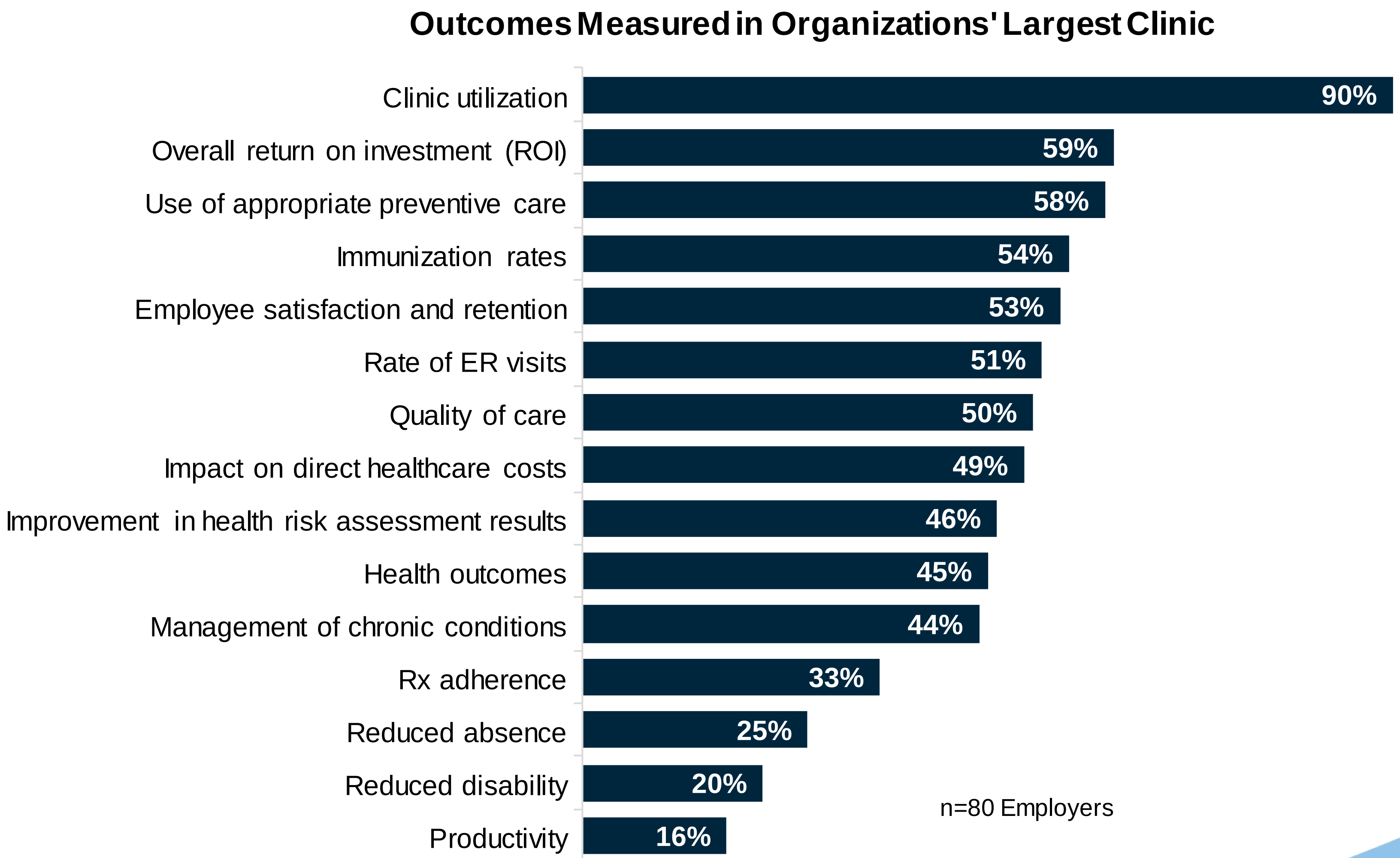
95% of employers are satisfied with their clinic outcomes, with 39% being very satisfied

Overall Satisfaction with Clinic Outcomes



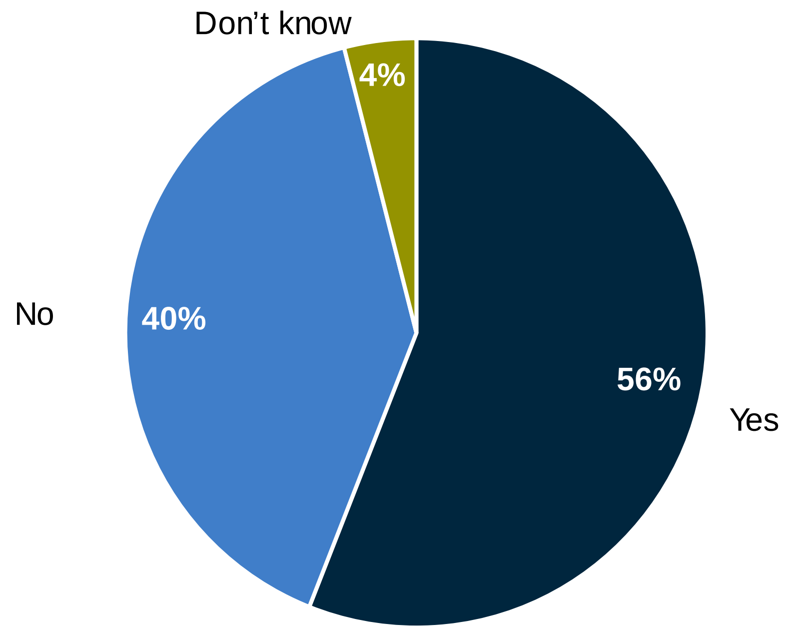
n=80 Employers

Clinic utilization is by far the most measured clinic outcome, followed by ROI and use of appropriate preventive care



A majority of employers are integrating their worksite clinic data with health plan data for identification of high risk patients, care coordination and comprehensive outcomes measurement

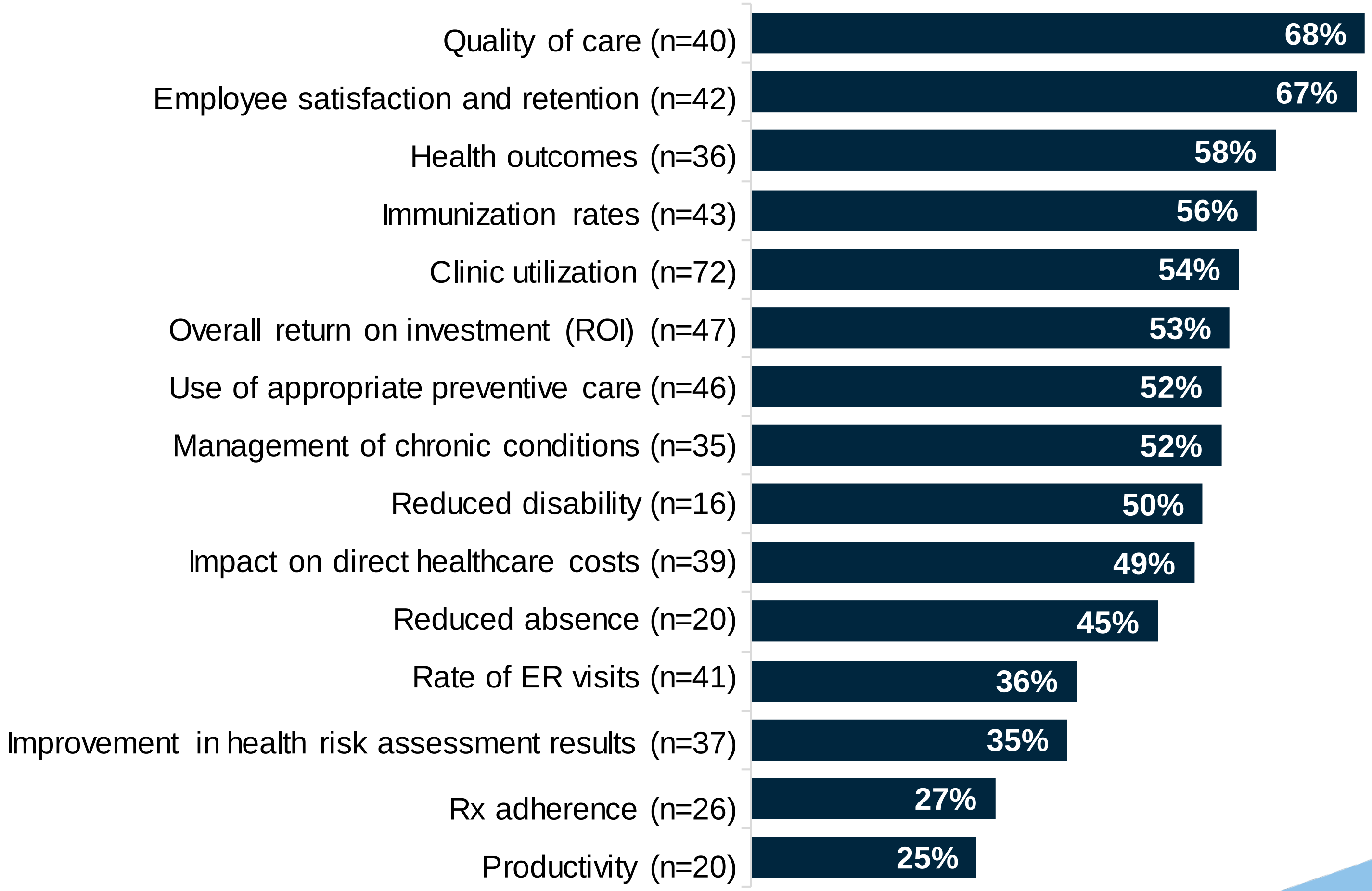
Integration of Clinic Data with Health Plan Data



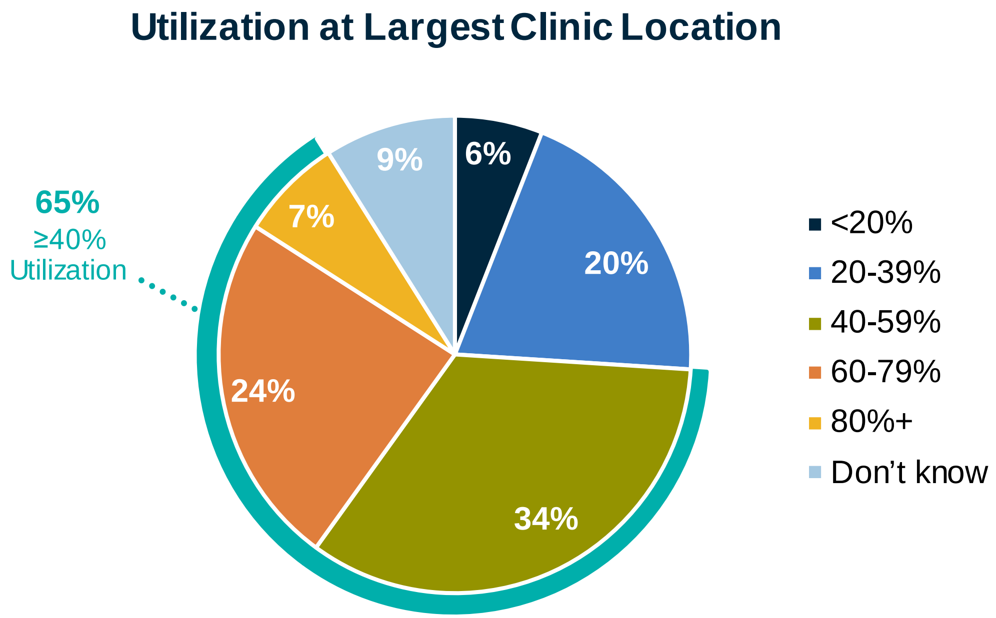
n=80 Employers

Employers are pleased with outcomes like quality of care and employee satisfaction and retention, but less satisfied with Rx adherence and productivity impact

Satisfaction with Outcomes Achieved in Organizations' Largest Clinic
(high satisfaction among employers measuring outcomes)



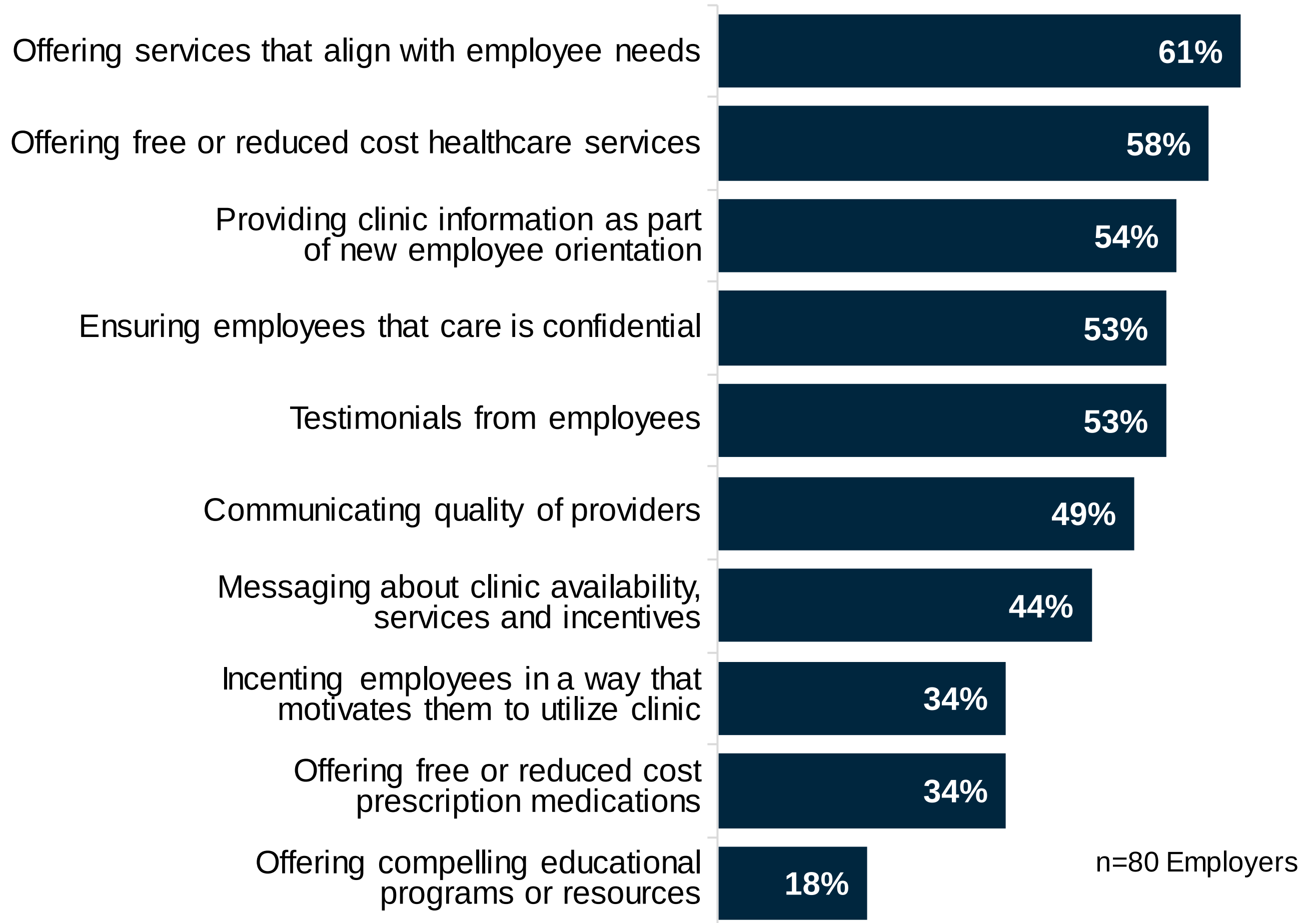
65% of employers have 40% or more of their eligible employees utilizing their largest clinic site



n=80 Employers

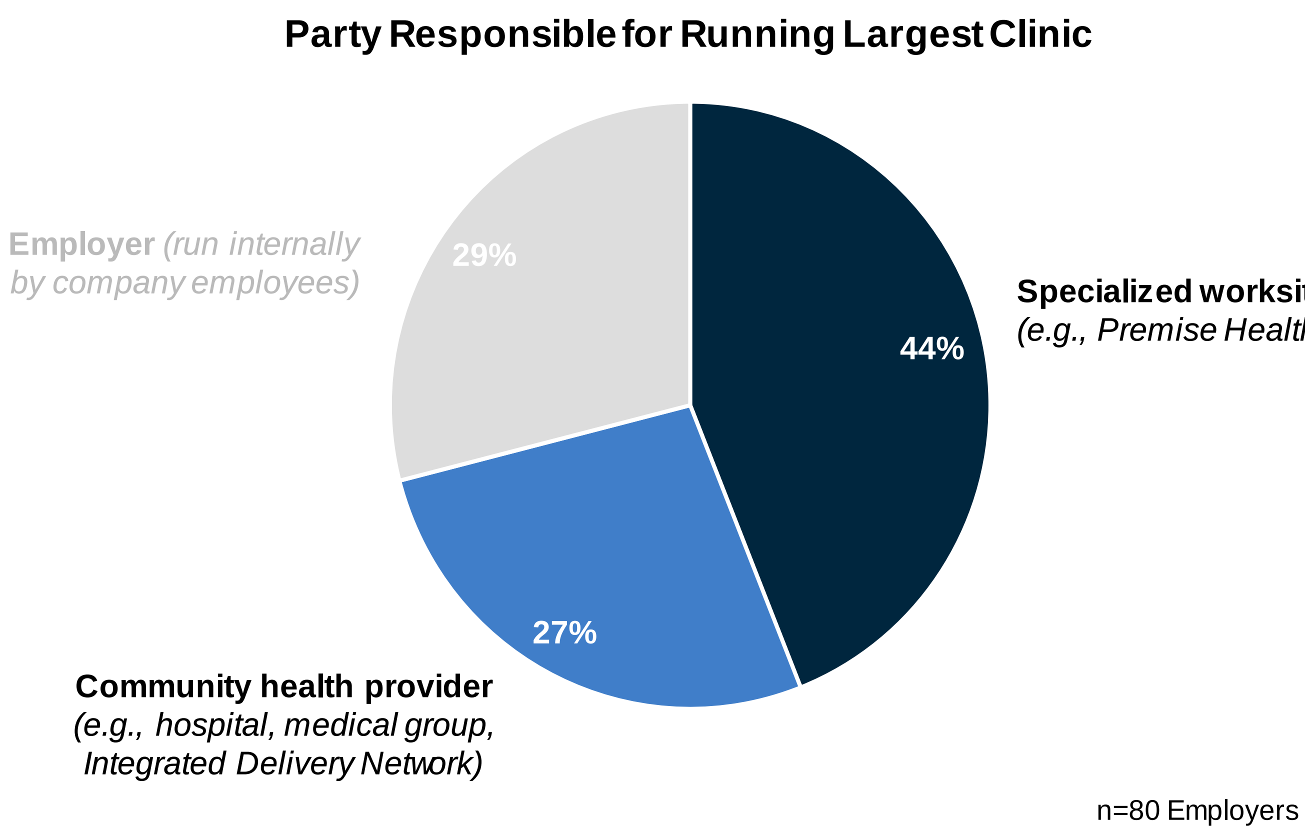
Employers identify a number of effective measures in driving utilization, including offering services that align with employee needs, reducing the cost and orienting new hires to clinic services

Effectiveness of Driving Clinic Engagement and Utilization



Third Party Clinic Management & Support

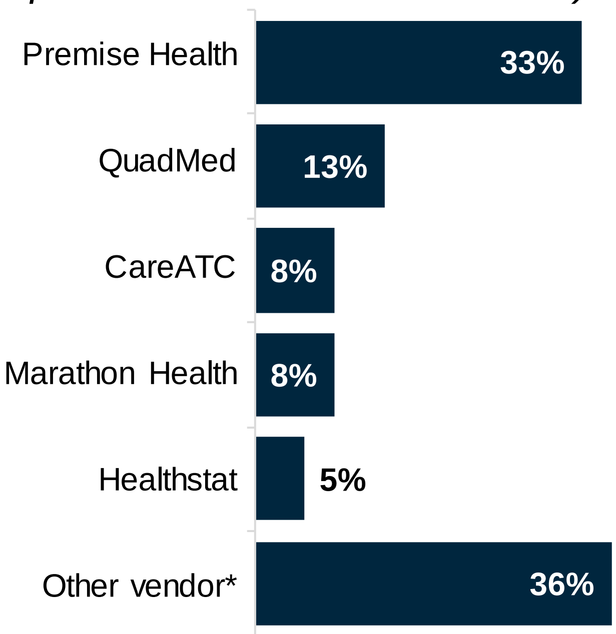
More than 70% of employers outsource management of their largest clinics to specialized clinic providers or community health providers



Market share for specialized clinic providers is highly concentrated, with Premise Health responsible for 33% of clinics. Community health providers are more fragmented, but most of them are IDNs

Specialized Worksite Clinic Provider

(among employers contracting with a specialized provider to run at least one clinic)



*Other vendors include: Cerner (2); Paladina Health (2); Cigna OnSite Health; Concentra; Corporate Care; InHouse Physicians; Medical Analysis; One to One Health; OnSite Care; SSM Health; Stanford Health Care; SummaCare

n=39 Employers

Community Health Provider Partners Used:

Integrated Delivery Networks (IDNs)

- Atrium Health
- Banner Health
- Bellin Health
- Emory Healthcare
- Florida Hospital; Integrity Health
- Lexington Medical
- Ohio State University
- Park Nicollet/HealthPartners
- Reedsburg Area Medical Center
- St. Joseph's/Candler
- TriHealth
- Unity Point
- University of Colorado–Colorado Springs
- University of Oklahoma Physicians
- University of Pittsburgh Medical Center
- Vanderbilt University Medical Center

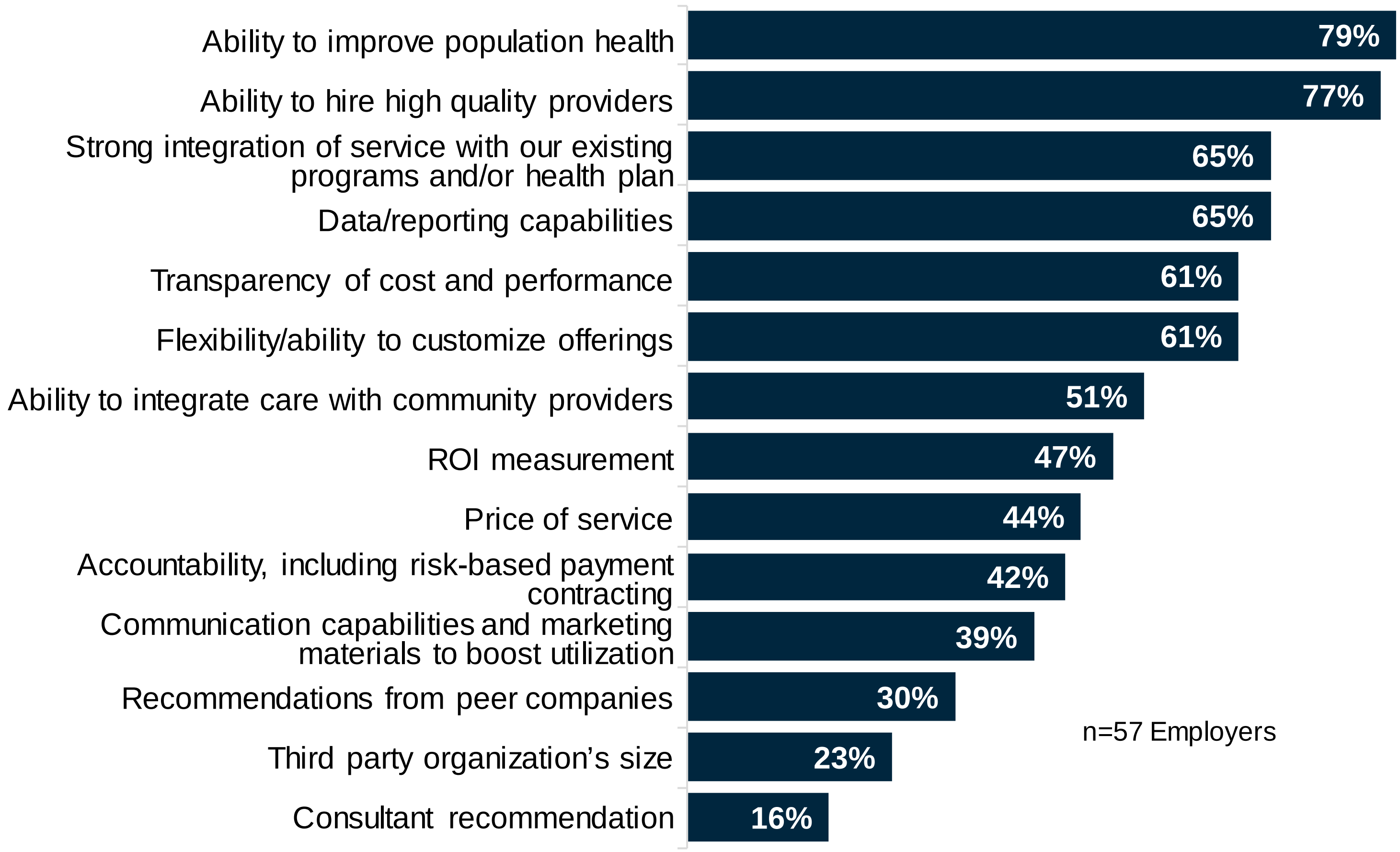
Other Community Heath Providers

- Central Ohio Primary Care
- Satellite Med
- Other local hospitals and provider groups

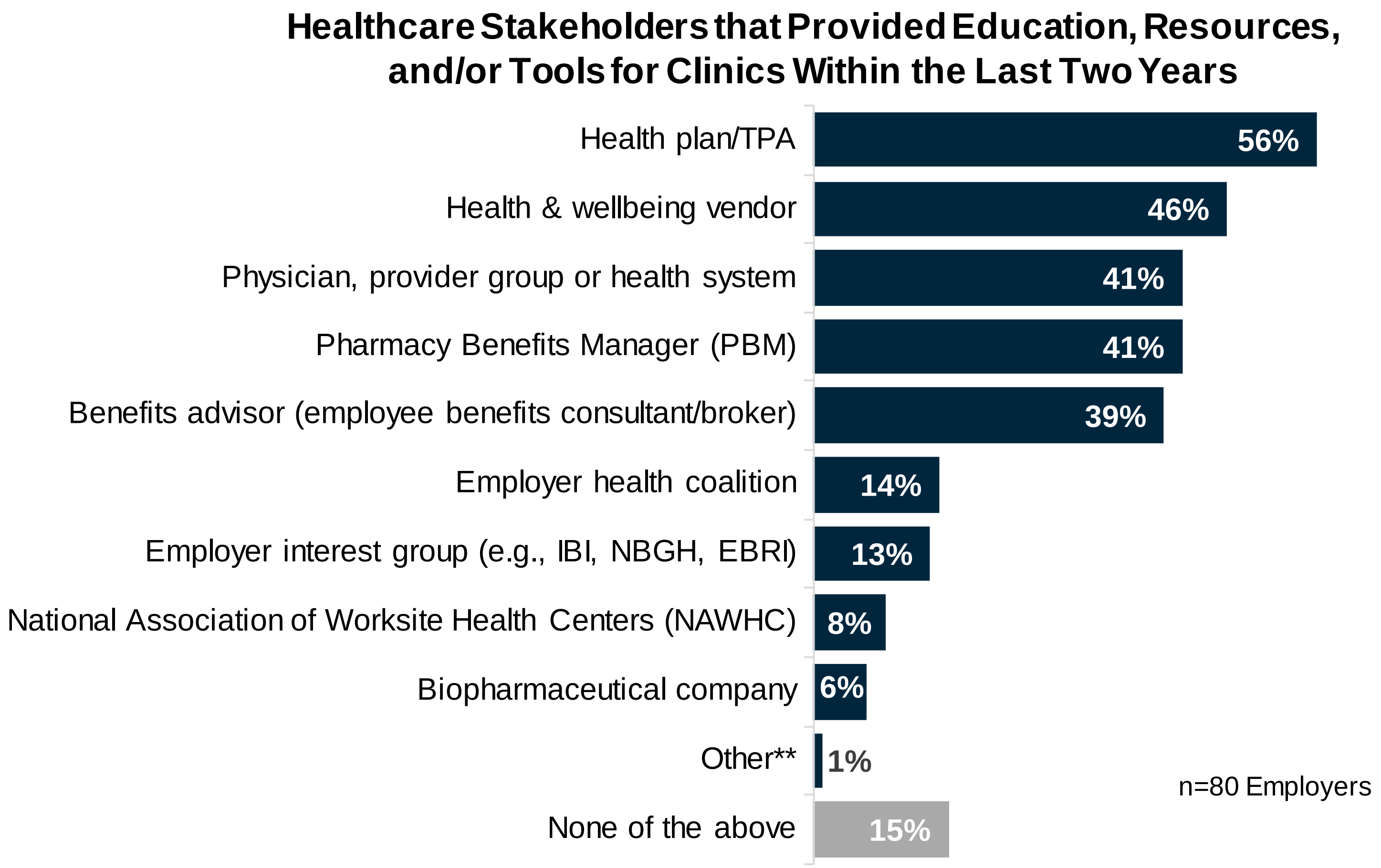
n=22 Employers

Factors of highest importance to employers when selecting a clinic partner are the ability to improve population health, closely followed by the ability to hire high quality providers

Importance of Factors in Selecting Clinic Provider Partners
(among clinics with a third party clinic provider)



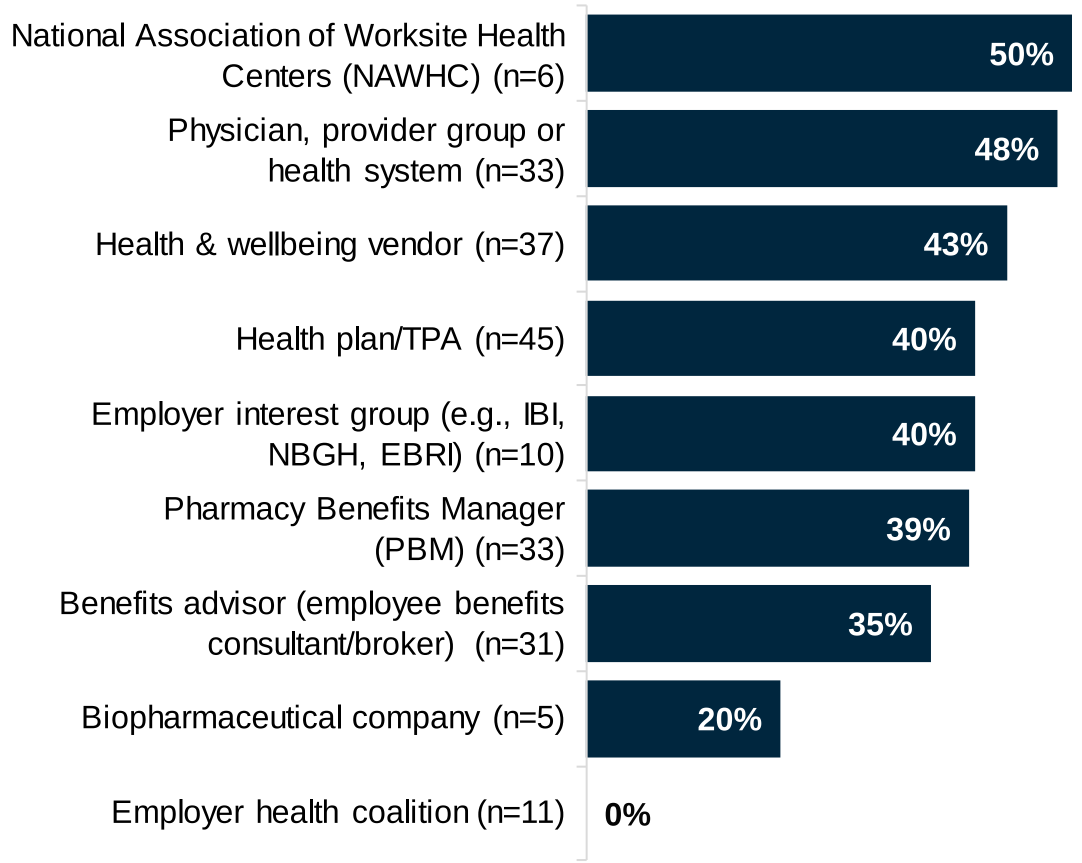
Health plans, wellbeing vendors, provider groups and PBMs are the top stakeholders providing employers with worksite clinic support



**Other includes: Unknown, this is handled by our vendor

Although they're the top stakeholder providing employers with worksite clinic support, just 4 in 10 employers are highly satisfied with their health plan's tools and resources

Satisfaction with Education, Resources, and/or Tools Provided by Healthcare Stakeholders *(percent very satisfied)*



Thank You!

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