

# Company Clinics Current Status

July 18, 2013

## 9th Annual Congress on On-Site Health Clinics

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# Agenda

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- Macro Trends in Onsite Clinics
- The “Perfect” On-Site Prospect is Changing
- What Primary Care Services are Typically Provided
- What Occupational Health Services Are Typically Provided
- Value for Employers
- Key Program Design Considerations
- Key Administrative and Reporting Considerations
- How Do On-Site Providers Work?

## Macro—Trends in On-Site Health

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- Overall demand is “steady” for new clinics heading into 2014 employers still implementing
- Driving forces are still cost management and health improvement
  - Continued degradation of primary care services (quality and access)
- Push into middle market, new industries and smaller locations
- Employers more interested in health coaching, prevention and risk modification (smoking, fitness, weight management, stress and anxiety)
- Great interest coalescing around “mid-level coach” as a quarterback in smaller locations
- Consolidation of big providers; arrival of new players with fresh ideas and more flexibility
- Integration with other health management programs continues to be a hurdle for success
- More competitive pricing, incentives and contract terms

# The “Perfect” On-Site Prospect is Changing

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- Old Rules
  - 2,000+ employee lives in a location (1,000 min)
  - Older workforce with significant health issues
  - Gross medical/Rx cost over \$8,000/employee/year
  - Company commitment (passion even better) to health improvement
  - Shortage of PCPs or access problems
  - Current, well-managed HR environment
  - Streamlined health vendor configuration
  - High medical cost geography

# The “Perfect” On-Site Prospect is Changing

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- New Rules
  - Any employer looking to expand their health management services and offer an enhanced benefit to employees
    - Reduced level of services/staff (part-time nurse, preventive screenings, health coaching, fitness centers)
- Manage health care costs
- Improve member health and productivity (long-term trend)
- More convenience (and adherence) for employees
- Higher quality care for more members
- Greater affordability for more members
- Message to workforce, “Management cares about your health”
- The “magic” of on-site touch

# What Primary Care Services are Typically Provided?

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- HRA/Biometrics
- Health coaching and education
- Preventive health screening and immunizations
- Acute/urgent care visits
- Ongoing medical management for chronic conditions
- Pharmacy (on-site; concierge; pre-pack)
- Basic lab
- Minor outpatient procedures
- Physical therapy
- High volume sub-acute services

# What Occupational Health Services Are Typically Provided?

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- Emergency response
- Pre/post hire physicals
- Pre/post hire drug screens
- OSHA/DOT worksite surveillance/compliance
- Worksite illness/injuries/triage
- Disability-related medical exams and referrals
- Return-to-work programs (evaluation and management)
- FMLA
- Corporate health strategy and policy

# Value for Employers

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- “Hard” Dollar Value (Generally 4%–8% Medical Spend)
  - Network-to-clinic replacement savings
  - Pharmacy-to-clinic replacement savings
  - Utilization savings (ER/UC; Specialists; Hospital)
  - Channeling to preferred providers
  - Copayment recovery
  - Program integration
  - On-site coaching
- “Soft” Dollar Value (Generally 5%–15% Medical Spend)
  - Improved member health (lower health risk)
  - Improved productivity and attendance



## **On-site clinics capture significant savings**

by implementing accessible, data-driven, integrated health services to optimize employee health and productivity

## Key Program Design Considerations

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- Who can use the clinic—dependents? retirees? non-covered? contractors? union members? HMO enrollees?
- What incentives are there to use clinic services—free?, flat dollar copays? coinsurance rates? pay-based? participation incentives?
- What services does the clinic provide? Acute vs. primary care?
- OccHealth and disability under same roof as non-Occ?
- Where do we locate the clinic? Hours of operation?
- Staffing model? PCP or nurse practitioner as lead? PT vs. FT? Role of physician?
- Pharmacy solution? Drive-up window? Satellite distribution?
- Behavioral health? Specialists?
- Delivery or referral role in HRA, DM, Coaching?

## Key Administrative and Reporting Considerations

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- Who does the clinic serve and how is eligibility determined? What is the source of eligibility info?
- Do clinic benefits interact with the overall medical design? If yes, how does this interaction happen?
- How does the clinic collect copays? How are they remitted to the employer?
- What encounter data is captured by the clinic? ICD/CPT? Clinical/lab values?
- Does clinic encounter data get aggregated with the patient's other medical and pharmacy data? How and by whom?
- Can the clinic generate electronic/paper bills for those covered by other plans?
- What about bad debts? How are these handled by the clinic?
- Integrated reporting with other health management vendors

## How Do On-Site Providers Work?

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- Full “turnkey” approach
- Clinic typically located on client property but may be in nearby “strip center”
- Nurse Practitioners deliver care under physician supervision for most locations with less than 2,000 employees
- Vendor employs staff and runs clinic; client furnishes space and owns assets
- Space: need about 600sf per 1,000 employee lives
- Client determines clinic “branding” and customization
- Cost-plus pricing model most prevalent; capitation emerging
- Add-ons: Coaching; HRA; DM; data warehousing