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## On-Site Clinics Adapt to Consumer-Driven Era

The latest high-tech tool revolutionizes the hunt for the right candidate.

By Joanne Sammer and Stephen Miller

**E**mployer-sponsored on-site (and near-site) medical clinics, while not new, are evolving to meet the needs of employers and employees in the emerging "patient-centered" era of consumer-directed health care plans integrated with wellness initiatives and disease management programs.

The clinics are generally intended not just to serve employees who need immediate care but also as a cost-effective primary care physician option (though not a requirement) for employees and, increasingly, their spouses and dependents.

The savings for employers depends on a given clinic's overall operating expenses. However, Stuart Clark, executive vice president of Comprehensive Health Services in Vienna, Va., says that the return on investment (ROI) for an on-site or near-site clinic can range from \$1 to \$4 or more for every dollar invested and that his clients usually see a positive ROI within two years.

"The actual savings depend on the size, location and health of the employee population," says Clark. Although the largest savings come from avoiding emergency room visits, clinics also save employers money "by making more-appropriate referrals to specialists; our referral percentage rates are in the teens rather than the 35 percent you might see with a private physician," he notes.

### Consumerism, Wellness and Disease Management, Too

The on-site health care model has gone through a transition in the past several years, Clark says, with employer-sponsored clinics becoming a cata-

lyst for larger health care strategies involving the employer's health plan, wellness and disease management endeavors, and pharmacy benefit management programs. "The on-site medical center brings these various stakeholders together in a patient-centered focus," he explains, promoting adherence to wellness and disease management programs that ultimately lowers the employer's health care costs.

they visit our medical center. If they're enrolled in a disease management program, our providers have that information at their fingertips to provide a consistent continuation of care," he explains. For example, when providing care to employees in need of wellness or disease management services, on-site medical centers can initiate the employees' enrollment into those programs.

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Clark notes that on-site clinics can help employers and employees take full advantage of consumer-driven plans linked to health savings accounts or health reimbursement arrangements, which require employees to pay directly for a greater share of their health care—thus providing them with an incentive to minimize costs.

Health care consumerism creates "an obligation for patients to be the custodian of their health care, but they can't do that alone," Clark points out. "They have to be provided tools and information so that they can make wise decisions as to services"—information often relating to employers' third-party stakeholders, including, again, health plans, pharmacy benefit management companies, and wellness and disease management providers.

"If this information is technologically integrated, then patients have a better, more efficient experience when

"The advent of consumer-driven health plans changes the economic dynamics of how health care is paid for. And it changes the behavioral dynamics of the patient," Clark adds. He expects continued growth of consumer-driven health plans, observing that:

"Our industry has to find its place within this new economic community. Historically, we have lived outside the health plan structure and paid directly by the employer. But in this new age of consumer-driven health plans, it's quite possible that a patient pays for their visit, under certain circumstances, out of their health savings account. It's quite possible that with a different patient from the same employer, the payment is provided by the employer, depending on the health plan option that they have chosen."

Often, preventive and wellness care is not a cost to the patient through their health savings account, "and so it is a

real economic benefit to the patient to access these services," Clark says. And the access is easier with an on-site clinic compared to other medical providers, with shorter wait times and more time spent with the provider.

### **Bringing Care On-Site**

For insurance firm Munich Re America, establishing an on-site health clinic made sense for a number of reasons. Beyond the obvious issue of health care costs, the company thinks that the clinic will increase employee retention and help employees who transferred to the United States from other countries to acclimate to the U.S. health care system, says Chris Simson, the company's vice president of human resource operations in Princeton, N.J. The company, which has about 1,000 employees at its Princeton campus, established its clinic during 2007.

The company's clinic has a nurse practitioner on staff who handles a variety of care for patients, including blood draws and injury care. The company has an arrangement with a local pharmacy for same-day service for filling prescriptions. Eventually, the company wants the clinic to be the epicenter of the company's wellness efforts with a focus on medical education and preventive health care. For example, the nurse practitioner handles biometric screening of blood glucose and blood pressure and helps individuals manage chronic health conditions. "We want employees to develop a positive rela-

tionship with the nurse practitioner and to have her be seen as someone employees can trust," says Simson.

In general, this type of on-site or near-site clinic makes financial sense only if the company has at least 1,000 employees in a given location, according to Clark. However, companies should still undertake a feasibility analysis to determine whether the claims in that location and the services a clinic can provide will yield an acceptable return on investment. "Some employers only want to have clinics in locations where there promises to be cost savings within the first year," he says.

### **Near, Not Far**

The location of the clinic is also a key decision. In the past, companies usually maintained workplace clinics on-site to treat workplace injuries and provide absence case management. However, as the workplace became safer, those clinics expanded into the area of preventive health care and can be expanded to provide basic medical care.

Companies without an existing on-site clinic may want to start a near-site clinic to provide easier access for retirees and employees' dependents. Near-site clinics can provide primary medical care, as well as disease prevention and management.

Because the clinic is run by the employer, usually through a vendor, the clinic staff is likely to be under less time pressure. Instead of the 40 to 50 patients an average physician in a prof-

## **A Word on Privacy**

One of the biggest concerns employees voice over using employer-sponsored on-site (or near-site) clinics is the privacy of their medical information. Comprehensive Health Services' Stuart Clark responds: "Our industry has always taken patient privacy very seriously," and "with the passing of the HIPAA [Health Insurance Portability and Accountability Act] regulations several years ago, it became evident that health care providers are going to be held to a very serious standard when it comes to the transmission of patients' medical information."

He adds, "Why would we jeopardize the firm over divulging information to someone who shouldn't have it?"

it-making private practice sees each day, clinic staff might see only 24 patients during an eight-hour shift, says Clark. This leaves much more time to spend with patients and to discuss and make recommendations to address health issues and concerns.

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