A Three Step Strategy for Achieving ROI Through Your Worksite Health Program
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A Three Step Strategy for Achieving ROI Through Your Worksite Health Program

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Chapter 1: Introduction

Today’s worksite health clinics offer employers the ability to not only contain employee healthcare costs but also deliver an effective retention and recruitment tool that promotes employee productivity.

While employees benefit from a higher quality of care, less time away from work, and reduced out of pocket medical expenses, employers consistently point to healthcare cost containment as the #1 reason to implement a worksite health clinic. Because an employer’s primary reason for launching an onsite clinic is cost containment, measuring return on investment is critical to gauging the success of the program.
Chapter 2: What is a Worksite Health Clinic?

Until recently, work site clinics were primarily popular only at the largest employers in the U.S., however the trend is now spreading to midsize employers of 300 or more employees. Generally, the care received at the clinic is free to the member and there is an added convenience factor for employees.

The modern worksite health clinic offers a continuum of care and can be seamlessly integrated with offsite resources. Not only are preventive care services such as immunizations and screening available, but acute medical problems and chronic conditions can be managed as well.

Today’s clinics provide a holistic approach to healthcare delivering a full suite of services designed to address all of the influencers of health including psychological, social, behavioral, and medical factors.
In the past, worksite clinics primarily achieved return on investment by reducing claims for primary care/urgent care and ER visits. In addition, they delivered savings for workers compensation and short-term disability.

However, the modern clinic offers a more compelling value proposition and much greater associated healthcare savings.

In the current model, there is the opportunity for additional reductions in claims as follows:

- High cost claimants and chronic disease care
- Inpatient/outpatient procedures and diagnostics
- Specialty care
- Pharmaceuticals

A well-designed worksite health solution can deliver significant savings in all of the above categories. Such a solution can be divided into three distinct strategies – short, medium and long term - each providing a significant return on investment.

On the following pages are descriptions of each strategy and the timing of the associated cost savings.
A Three Step Strategy for Achieving ROI Through Your Worksite Health Program

STEP 1: SHORT TERM ROI.

The first strategy is termed “short term” and offers immediate savings that continues throughout the life of the clinic. The savings is generated in a number of different ways such as avoided physician visit charges, price transparency, laboratory discounts, and pharmacy savings.

Short term cost containment tools include:

COST EFFECTIVE ON-SITE CARE:

- Onsite clinics offer a more cost efficient means of delivering ambulatory and primary care as compared to care being delivered in the local medical community. Patient visits to on-site clinics avoid medical claims that would have otherwise occurred due to visits to the primary care physicians’ office, urgent care, or emergency room.

PRICE TRANSPARENCY AND PATIENT ADVOCACY:

- There are significant price differentials in the marketplace for diagnostic tests and medical procedures such as MRIs, colonoscopies, and outpatient/inpatient surgeries.

When on site medical staff, in partnership with health advisors, can give clinic patients accurate network and out-of-pocket pricing and associated quality information, patients tend to choose value based providers leading to enormous cost savings for common procedures and diagnostics.

EFFECTIVE PHARMACEUTICAL USE:

- By practicing evidence-based medicine, on-site clinicians drive higher utilization of generics. In addition, on site pharmacies can provide common prepackaged medications at a discount as compared to the retail pharmacy or PBM.

OCCUPATIONAL MEDICINE:

- These cost saving services include on-the-job illness and injury management, preventive care, ergonomic evaluation and regulatory compliance oversight. Occupational medicine services can lead to savings from decreased workers compensation claims, short-term disability, and time away from work.

This collection of short term cost containment tools allows the clinic to at least break even in Year 1.
STEP 2: MID TERM ROI.

“Mid Term” ROI is generated through one primary mission – identifying and closing Gaps in Care. Gaps in Care are directly related to, not only high cost claimants, but also to avoidable claims for all patients especially those with chronic diseases. Chronic disease care accounts for 70% of the health care spend.

The keys to achieving mid-term ROI include:

IDENTIFYING GAPS IN CARE:

- Approximately 80% of healthcare costs are spent on caring for about 10% of plan participants (“high cost group”). And those patients that are in the high cost group continuously change from year to year.

  The key to predicting which members will be in the high cost group the following year is through predictive modeling. By feeding claims and EMR data through a predictive modeling tool, high-risk members are identified that are most likely to consume the greatest amount of future healthcare dollars. Once identified, the clinic conducts an outreach to these members followed by intense management of participating members with the goal of closing gaps in care and delivering care coordination.

  Engagement in this process is significantly higher than that achieved by traditional remote disease management or population health management programs because the members are already familiar with the clinic and have a sense of trust with the providers. If done effectively, the clinic can achieve both better outcomes for the participants and substantial savings for clients.

CLOSING GAPS IN CARE:

- Medical management systems offers clinic providers clinical decision support tools to close the identified Gaps in Care via the practice of evidence-based medicine. The robust medical management software puts a comprehensive database, management and reporting tool in the hands of our medical clinicians to enable better decisions and better outcomes.

  The software also integrates financial and clinical workflow processes to support all levels of medical management interventions, utilization management (UM), case management (CM), and disease management (DM).

PATIENT CENTERED MEDICAL HOME:

- The clinic offers a patient centered medical home model for members with chronic or complex diseases. This approach further assists on site clinicians in closing gaps for the highest risk patients leading to improved clinical outcomes and decreased associated claims.

  A patient-centered medical home (PCMH) is a primary care facility
following a team-based approach to healthcare. It is led by a clinician, who provides comprehensive, continuous and coordinated care. It is a model of practice in which a team of health professionals, coordinated by a personal clinician, works collaboratively to provide high levels of care, access and communication, care coordination and integration, and care quality and safety.

The PCMH practice works to integrate complex care over the entire healthcare team including the worksite clinic, specialists, allied healthcare professionals, and other community resources.

NARROW NETWORK OF HIGH PERFORMANCE PROVIDERS:

- The best in class worksite clinics align themselves with “premier” local medical providers that have demonstrated their ability to deliver quality care to members. The worksite clinic then enters into agreements with these “premier providers” requiring data sharing and adherence to evidence based guidelines. The result; a community-based medical home model driving superior clinical outcomes and dramatically decreased costs for chronic disease care.

These mid-term ROI strategies typically deliver cost savings starting at 2 years and reach maximum annual savings at 6 years.
STEP 3: LONG TERM ROI.

Wellness services should be an integral part of any worksite health clinic as they are the key to long term ROI. By staffing a worksite health clinic with certified health coaches and ensuring that sufficient time is directly associated with wellness activities, a well-organized program can bring about greater employee engagement, real behavior change, and improved health outcomes over the long term.

Some of the wellness activities that can be leveraged to achieve long term ROI include:

EMPLOYEE ENGAGEMENT:

• A best in class employee wellness strategy calls for a best in class suite of employee engagement tools emphasizing strategy, timing and visibility. Success should be measured in terms of employee participation and results (as defined by health outcomes).

WELLNESS COMMUNICATION TOOLS:

• Many worksite health and wellness programs make use of the Internet to create a centralized location that allows employees to access all of a company’s wellness resources. In addition to health assessments, these wellness web portals allow employees to engage personalized tools such as reminders, goals, activities, calculators, meal planners, wellness workshops, online health coaching, a comprehensive health library, and a customizable incentive system.

HEALTH ASSESSMENT AND BIOMETRICS:

• Health assessments and biometrics can be used to collect employee health data and assist in defining the health risks of target populations. This information can be used to develop a personalized and prioritized list of health risks guiding the employee to relevant next steps. Finally, outcome based health screenings can be attached to incentives to promote health lifestyle choices in the member population.

TARGETED WELLNESS PROGRAMS:

• The most effective wellness programs hone in on subsets of the population burdened with pre-disease states that are associated with high price tags; such as pre-diabetes, metabolic syndrome, smoking, and morbid obesity. Once identified, participants with these states can be steered towards programs that are intensive and hands on with the goal of preventing disease and associated future healthcare costs.

HEALTH COACHING:

• After identifying employee health risks, the next step is to modify these health risks through healthy behaviors. Lifestyle coaching should be an integral part of any employee health management strategy and provides the most efficient means to positively impact employee health risks and associated costs.
Instituting a worksite health clinic can be a smart investment. The availability of convenient, on-site primary care providers, population health management, and preventative services reduces chronic disease costs, hospitalizations, and specialist referrals. An emphasis on generic drug prescribing, medication compliance, risk factor reversal and the use of efficient specialists all result in decreased cost, as does evidence-based treatment of chronic disease.

Also, the current process of patients choosing healthcare services does not make it easy for either employers or employees to get the right information to make smart choices. Worksite clinics can leverage members’ relationship and trust with the clinic to steer members to the highest quality of specialty care at the most efficient price through the use of transparency tools.

Worksite health clinics offer value for both employers and employees:

- They can help a company become an employer of choice by offering easy access to care through a trusted provider.
- They can help keep workers safe through medical surveillance and ergonomic services, and can speed their return to work after injury or illness.
- By properly analyzing patient clinical and claims data, worksite health clinics can deliver higher quality care at a lower cost.

If done correctly, worksite health clinics become part of a seamless, integrated system that harnesses the power of data to make the most efficient and effective use of healthcare resources. This improves the quality of care for employees, optimizes the management of employers’ healthcare costs, and improves employee productivity.
See ROI in Action
Read Our Case Study on How IHP Helped a Client Reduce Their Overall Employee Healthcare Costs by 22% Through a Worksite Health Clinic Solution

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