

Alternative Treatment

On-site Health Clinics Offer Multiple Benefits

By **Symone Salisbury**

Next issue

The July-August *BizVoice*® will continue its look at health care options with a story on retail health clinics and their impact.

Draper Health Services offers comprehensive, personalized medical care for its employees, including distribution of prescribed pharmaceuticals.



A challenge that employers and workers share is confronting escalating health care costs. Growing in prominence as one potential solution is on-site health care clinics. Many employers justify implementation costs – which can reach up to \$20,000 or more – with projected savings that will far exceed expenses. Business health clinics offer several financial benefits to companies. They enhance employee productivity – and thus business earnings and revenue – otherwise hindered by absenteeism. Also, clinics supplying pharmaceuticals can purchase them directly from a provider and have more control over the costs.

In addition, employers can reduce the extent of their worker's compensation claims by immediately treating minor workplace injuries.

Many on-site clinics address acute and chronic conditions. Among ailments treated are high blood pressure, diabetes and cold or flu-like symptoms, with immunizations and minor surgical procedures also possible. The goal is to provide patients with the same quality of care they would receive from a family physician.

Draper, Inc., headquartered in Spiceland, established a health care clinic on its premises in January. Draper manufactures a variety of products such as window shades, athletic equipment and home theatre screens.

"I really think that if this concept works – and I believe it will – it is going to be a wave of the future," asserts David Medved, director of human resources at Draper. "I think in the next five years, we'll see an explosion of this type of thing. It's one of the few concepts for cost control that I have seen in the last 10 years in which everyone wins – the company, the hospital, the medical practitioner, the patient and the employee."

House call

A former residence located adjacent to Draper's manufacturing facility houses the Draper Health Services (DHS) Clinic. It is available to Draper's approximately 500 employees and their eligible dependents. Demand for treatment has resulted in a full schedule of appointments since its launch.

Annual medical plan cost trend increases have exceeded 20% in recent years. Establishments like the DHS Clinic could potentially help reduce that number by at least 50%, according to Medved.

The DHS Clinic operates 24 hours per week. Three medical professionals provided by Henry County Hospital administer health care: a primary care physician, nurse practitioner and medical assistant.

There is no cost for office visits or procedures. In addition, employees can obtain prescriptions for free formulary medications at the facility.

"We looked at the kinds of prescription drugs our particular participants used in the past," Medved explains, "and the hospital (Henry County Hospital) analyzed those and picked out certain drugs that were more commonly used and the drugs that we could buy for less cost than we were currently paying. Those are the drugs that are on our formulary and dispensed free of charge."

Business as usual

In 2005, OneAmerica Financial Partners and the Indiana University Department of Family Medicine unveiled the IU Family Medicine at OneAmerica Tower medical clinic in Indianapolis. It serves building employees and the general public.

Nearly 3,000 individuals work in the OneAmerica building; approximately 1,300 are OneAmerica employees.

All physicians working at IU Family Medicine at OneAmerica Tower are

members of the Indiana University School of Medicine staff. Physicians are authorized to write prescriptions, but the clinic does not dispense them. Electronic records maintain patient information.

“There are really three reasons why we made the decision to have a clinic in our building,” reveals Paul Branks, assistant vice president of corporate communications at OneAmerica: “convenience for our employees, increased productivity for the organization, and it also aligns with our business strategy.”

One advantage for employees is that the on-site clinic adds flexibility to their work schedules. Instead of taking time off of work to attend a doctor’s appointment, which can include a lengthy round-trip commute, they can save personal and sick days by consulting doctors at the clinic.

“What we cater to is the businessman,” comments Dr. Douglas McKeag, chair of the IU Department of Family Medicine and a physician. “There isn’t a whole lot of access (to health care) downtown, and one of the more attractive things about this is that we have open scheduling. We purposely don’t schedule ourselves completely full.”

According to Branks, 40% of the clinic’s patients are OneAmerica employees.

“If they know they can go downstairs for their doctor’s appointment,” he notes, “they’re more likely to have an annual physical. They’re also more likely if they begin to feel ill to go downstairs and with as little as five minutes of warning see a doctor and be treated for something that could turn into something much worse where they would have to miss several days of work.”

Carissa Newton is director of Enterprise Business Process and Intelligence at OneAmerica. She praises the clinic’s physicians for remedying an allergic reaction she experienced.

“I thought the practice was very smooth,” Newton recalls. “I was in and out within 20 minutes. They had all my information on file because I had visited another physician that was tied to their network.”

Outside provider

Novia CareClinics specializes in clinic management for companies with between 150 and 2,000 employees. Client offices located in Batesville and Elkhart County span manufacturing, education and government sectors.

According to a presentation on the Novia web site, average clinic start-up expenses (including “build-out” costs) range from \$12,000 to \$15,000 with an additional \$7,000 for equipment and supplies.

“Bigger companies have done this for quite awhile,” remarks Eric Olson, president of Novia. “This (on-site health clinics) is



OneAmerica's Paul Branks credits the clinic — which blends high-tech equipment and artistic decor — with enhancing employees' wellness awareness.



relatively new to the mid-size market.”

Consultations with patients usually last for 20 minutes. Clinic visits and prescriptions are provided at no charge to employees. Electronic medical records add convenience for patients and physicians.

An annual health risk appraisal program helps participants monitor their health. Also available are health coaches and 24-hour access to a registered nurse via telephone. Physicians undergo a credentialing process culminating in an interview with the employer.

What barriers exist?

“Just getting people to recognize that this process is available to them,” offers Lanny Green, vice president of Novia. “One of the major obstacles we have is recruiting nurses and doctors to work in the clinic. And that’s kind of difficult because especially when family physicians hear, they immediately look at it (the clinic) as a competitor, that we’re taking business out of their marketplace.”

He points out, however, that most of them embrace the concept after speaking with Novia staff.

“Physicians who work in the clinic typically find it to be a very beneficial experience,” Olson shares. “There’s no insurance, no billing, no collection issues. We think it increases access to the people in the market.”

“If everyone used primary physicians on a regular basis,” he adds, “health care costs would drop an average of 5% overall.”



Dr. Douglas McKeag emphasizes the importance of treating patients as valued customers.

Measuring success

Many opponents of on-site business health clinics argue that the care provided is inconsistent and less personal than in a typical primary physician’s office since patients may see a different physician each time they seek medical assistance.

McKeag refutes that contention.

“We build familiarity here because we’re not saying that the only way you can come into the clinic is if you have an acute problem,” he maintains. “If you want to establish with us as a physician, you can do that.”

The IU Department of Family Medicine will conduct a wellness



Headquartered in Indianapolis, Celadon Trucking Services Inc. implemented a medical clinic to optimize health care access for office employees and drivers.

pilot project revolving around OneAmerica employees. Workers will be divided into two groups of 25. Both will undergo a “before and after” health profile, with 25 employees comprising a control group and the remaining 25 working with medical clinic physicians after hours to change their diet and exercise methods.

“We’re going to put together a ‘how to live right and make the right choices’ (program),” McKeag explains. “We’ll do sort of a quality of life measurement. How happy are you? How do you feel your productivity is at work? We’ll look at their records of absenteeism to see whether or not there is a separation of the two groups.

“What we hope to show,” he continues, “is that with just a really small amount of intervention and education, we could do a great deal.”

Convenience and financial savings associated with the clinics also can help companies to recruit new workers. “There’s no question about that,” Medved emphasizes. “We’ve already seen some of that, (with) people who have come in to interview for positions.”

“By offering on-site medical care and dental care, this really helps position us in a way that’s really unique and is attractive to not only recruiting, but also retaining the talent we have,”

Branks observes. “Together, with our overall benefits advantage, it’s very effective.”

A cost-benefits study conducted last year revealed that the medical clinic had saved OneAmerica more than \$1 million in less than two years.

Prognosis

Dr. Jeffrey Kons is medical director of IU Family Medicine at OneAmerica Tower.

Two of his priority areas are disease registries and chronic disease management. One of his goals is to increase the use of disease registries, which assign diagnosis codes to medical illnesses. A big advantage is that they help physicians monitor whether patients have undergone recommended testing for various conditions.

“I would like to actually start doing larger group visits,” he states. “There’s really interesting data about the concept of shared group visits for people with chronic health conditions (such as high blood pressure, diabetes and heart disease), and it seems to be really beneficial for people to be in a room with other people that are dealing with the same thing.”

Green concludes, “The ultimate goal is to use that clinic-physician relationship to actually drive the wellness programs in the preventative medicine. Speaking globally, unless we can improve the health of the employee and dependent population for that employer, we ultimately can’t get away from the very large claims.”

INFORMATION LINK

Resources: Dave Medved, Draper, Inc. at (765) 987-7295 or www.draperinc.com

IU Family Medicine at OneAmerica Tower at (317) 278-6161 or www.iufammed.iupui.edu/oneamerica

Novia CareClinics at (317) 791-6691 or www.noviacareclinics.com

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