Workplace Clinics

Are they right for you?

Panel Discussion
September 14, 2016

Objectives:

• Determine the process of how to decide if a clinic is right for you.

• Be able to identify the important factors to consider when deciding on a workplace clinic.

• Be able to support the decision to key stakeholders and decision makers.

• Describe the process of selecting a workplace clinic partner.
Meet Your Panel

Beth Aldana
City of Wauwatosa

Niquanda Purifoy
Palermo Villa Inc.

Renee Joos
City of Milwaukee

What is Possible

Saving your company money while improving employee health.

Workplace Clinic
City of Wauwatosa
September 2016
How and Why City of Wauwatosa Decided to Open a Workplace Clinic

The rationale presented to the stakeholders: “We have need and opportunity.”

The Need

• Constraining Health Insurance Costs
• Attracting and Retaining Talent
Constraining Health Insurance Costs

- Upward trend of cost of health insurance
- Uncertainty about future increases
- Even when “successful” in managing increases the amount of inflation on claims consumes high percentage of available new revenue each year

Recruiting and Retaining Talent

- City of Wauwatosa Strategic Plan: “Develop a high-performing organization through strategic employee development and compensation programs.”
- Employers Emphasizing Benefits to Recruit Talent
- Employees view health insurance as the most important benefit

Source: SHRM HR Magazine Vol. 60 No. 9 11/1/2015
Mercer study

Figure 2: Important objectives in establishing a worksite clinic

(Percentage of respondents with a general medical clinic rating the objective “important” or “Very important”)

1. Controlling total health spend: 91%
2. Reducing lost employee productivity: 77%
3. Enhancing health workforce leadership image: 74%
4. Managing employee health risk and chronic conditions: 74%
5. Improving member access to health care: 66%
6. Better quality/consistency of health care: 61%
7. Means of attracting and retaining valued employees: 59%
8. Managing workplace injuries: 44%

Source: 2015 Mercer Survey on Worksite Clinics

The Opportunity

• Census numbers to support a clinic

• Self-insured structure allows more immediate positive financial impact

• Space available with little construction costs

• Funding available
Space

Space adjacent to the Health Department in City Hall

1. Furnish existing waiting area at bottom of steps in City Hall
2. Remodel storage room, convert to consultation room for medical assistant
3. Update existing overflow exam room
4. Move health department storage and create new overflow exam room and storage space
Funding

- Opportunity to re-invest funds
- Above target in reserve funding for health claims
- Cost of opening clinic covered by 2015 surplus health claims
RFP Process

• Lead by City’s consultant

• 6 proposals

• Panel interviews

• Froedtert Workforce Health selected

ROI MEASURES

• Hard Costs
  • Cost of providing care at clinic compared with cost of care through health plan

• Avoided Costs
  • Emergency room visits
  • PTO costs
  • Loss of productivity

• Long-term Savings Through Improved Employee Health
  • Managing chronic diseases
  • More convenient
  • Appointments longer
  • Build relationship with provider
Timeline to Opening

- Research, vetting and RFP process April-November 2015
- Council approval early March
- Construction of build-out March-May
- Communication and Promotion March-May
- Opening mid-June

Future Opportunities

- Eligibility for part-time employees
- Expand hours depending on utilization
- Community partners
- More robust occupational health care
  - NFPA physicals for fire department
  - Drug screening
  - Pre-employment physicals
  - Physical therapy
Who we are?

- Family Owned Frozen Pizza Manufacturer
- 5th Largest pizza Manufacturer in the USA
- Corporate Office & Manufacturing Plant located in Milwaukee, WI
- 600 + employees
Why we decided to implement a workplace clinic?

- CEO Roundtable
- Owner’s Philosophy
- A part of the culture “We care for our own”
- Potential Cost Savings
- Employee Morale/relations
Selection Process

Broker conducted RFP → Analyzed and compared 3-4 providers → Selected provider that fit our culture

Why Froedtert Workplace Health?

• Clinic Inception date- 12/01/2014
• Location- Onsite
• Ability to influence philosophy of care/selection of provider (Bilingual NP)
• Pricing/ other services offered
Workplace Clinics: Are they right for your organization?

City of Milwaukee Workforce Demographics

<table>
<thead>
<tr>
<th>Main Job Categories</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
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<tr>
<td>Total General City</td>
<td>4,273</td>
<td>2,715</td>
<td>1,531</td>
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<td>Fire Protective Service</td>
<td>556</td>
<td>537</td>
<td>19</td>
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<tr>
<td>Police Protective Service</td>
<td>1,595</td>
<td>1,319</td>
<td>266</td>
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<tr>
<td>Total City Wide</td>
<td>6,424</td>
<td>4,571</td>
<td>1,816</td>
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<tbody>
<tr>
<td>Current Age</td>
<td>70 - 93</td>
<td>51 - 69</td>
<td>35 - 50</td>
<td>15 - 34</td>
</tr>
<tr>
<td>% of Workforce</td>
<td>5%</td>
<td>45%</td>
<td>40%</td>
<td>10%</td>
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</tbody>
</table>

- The City has approximately 6,500 active employees and 6,600 retirees
- 5,600 employees and 3,600 retirees are enroll in the City’s Healthcare Insurance
- Average age of employees is 48
- Average Salary for general city employees is $51,900
- Around 1,000 employees are eligible to retire in 2018
- Roughly 2,000 employees work at the City Hall Complex
- Remaining employees work at over 100 offsite City locations
- Workforce includes Fire, Police & Large Public Works Department
- In 2011, Wisconsin ACT 10 reduced City bargaining units from 19 to 3
City of Milwaukee 2003-2011
Healthcare Expenditure Trend

Healthcare Structure
- Fully insured healthcare plan with minimal premium $20
  Single/$40 Family
- No deductibles, out of pocket max, co-insurance, minimum drug co-pays
- No incentives to make smarter utilization choices
- No outcomes based network through insurance provider
- City had managed competition plan with multiple HMOS
- City paid 100% of low cost and employee paid the difference
- No collaboration with other public entities

Healthcare Challenges
- Healthcare expenditures increased annually 8-9% reaching $139M in 2011
- City had 19 Unions and collective bargaining restrictions
- Aging employee population (71% male), prone to injuries
- Large retiree population also covered under City’s plan
- High prevalence of chronic disease
- City absorbed all inflationary and utilization cost increases due to low employee premium contribution, no deductibles, coinsurance, out of pocket max

Healthcare Philosophy
- Employees had unlimited choices for healthcare
- State of the art benefits
- Minimal out-of-pocket expenses
- No incentive/disincentive when considering choices
- No formal Wellness Program, Health Promotion Initiative or Risk Management Program
**Healthcare**
- Switch from insured HMO to self-funded EPO
- Expand health plan model from 2-tier single/family to 4-tier
- Implement 12% healthcare premium for employees
- Develop changes to encourage smarter utilization $500/$1000 deductibles, 10%coinsurance, and $1000/$2000 OOPM
- Goal: Maintain reasonable benefit and encourage smarter utilization
- Data to drive decisions
- Use Wellness Program to increase health awareness

**Wellness**
- City negotiates creation of Wellness Program with fee for non-participation
- Develop a program for employees by employees and engage unions to increase buy-in
- Increase employees' health awareness
- Invest in program to help mitigate long-term healthcare expenditure trend
- Implement 3-Step Health Appraisal Process with lab work, questionnaire and coaching
- Address employees concerns about privacy and confidentiality
- Eventually implement outcomes based component

**Worker’s Compensation/Safety**
- DER and Budget Office develop Risk Management Program (RMP) for injury prevention
- Bridge disconnect between workplace safety at department level and workers compensation expenditures budgeted under DER
- RMP designed to increase department accountability for accident prevention strategies and cost containment measures
- Help departments understand how/why injuries happen, identify ways to prevent injuries, minimize lost work days and expedite return to work options
- Implement pilot onsite PT program

**Wellness Program Phase I Outcomes**
- 3-Step Health Appraisal Participation
  - Around 80% since program started
- Blood Pressure
  - Normal 45% in 2010, normal 55% in 2015
- Tobacco Usage
  - 19% using in 2010, 14% using in 2015
  - Estimated $5816 extra cost per user
  - $2.47M in avoided costs each year
- Glucose/Diabetes
  - 80% normal in 2010, 81% normal in 2015
- Pre-Diabetes
  - 16% in 2010, 13% in 2015
- BMI
  - 40% 30+ in 2010, 50% 30+ in 2015
- Cohort by Risk Category
  - In 2015: 73% stayed the same/excellent or improved; 27% worse
  - In 2014: 74% stayed the same/excellent or improved; 26% worse

**Table: Average Biometrics**

<table>
<thead>
<tr>
<th>Biometric</th>
<th>Optimal Range</th>
<th>2010</th>
<th>2015</th>
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<tbody>
<tr>
<td>Total Cholesterol</td>
<td>&lt;200</td>
<td>190.8</td>
<td>189.1</td>
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<tr>
<td>LDL Cholesterol</td>
<td>&lt;120</td>
<td>115.4</td>
<td>110.5</td>
</tr>
<tr>
<td>HDL - Male</td>
<td>&gt;40</td>
<td>46.5</td>
<td>48.5</td>
</tr>
<tr>
<td>HDL - Female</td>
<td>&gt;50</td>
<td>57.0</td>
<td>60.9</td>
</tr>
<tr>
<td>Triglycerides</td>
<td>&lt;150</td>
<td>122.1</td>
<td>123.7</td>
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<tr>
<td>Glucose</td>
<td>&lt;100</td>
<td>93.0</td>
<td>94.0</td>
</tr>
<tr>
<td>Systolic BP</td>
<td>&lt;120</td>
<td>120.4</td>
<td>120.6</td>
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<tr>
<td>Diastolic BP</td>
<td>&lt;80</td>
<td>76.1</td>
<td>74.7</td>
</tr>
<tr>
<td>Waist - Male</td>
<td>≤40</td>
<td>39.1</td>
<td>40.3</td>
</tr>
<tr>
<td>Waist - Female</td>
<td>≤35</td>
<td>35.8</td>
<td>37.0</td>
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<tr>
<td>PHRS Score</td>
<td>≥85</td>
<td>74.2</td>
<td>73.2</td>
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Green cells indicate improvement
Worker’s Compensation Data & Trends

WC Claims & Recordable Cases


Claims
Recordable Cases

Healthcare Expenditures/Outlook

Health Care Expenditure Trend


Trend w/out HC Changes
Trend w/2nd HC Changes
Current Trend w/HC Changes
Impact of Healthcare Changes

- City initially experiences 27% decrease in healthcare expenditures
- Expenditures eventually start to rebound and indicate that additional improvements can be made to encourage appropriate utilization
  - Healthcare utilization data shows need to influence employee behavior:
    - Overutilization of the ER for non-emergency reasons
    - Lack of follow up on age/gender specific screenings designed
    - Poor or lack of participation in UHC’s “gaps in care” disease prevention and management activities
- 2015 changes designed to create incentives for good employee healthcare decisions
  - Increase deductibles to $750 single/$1,500 family
  - Implement 30% co-insurance payment for non-Tier 1 medical providers
    - Tier 1 Premium Providers recognized for better health outcomes, higher quality care and lower costs
  - Increase out of pocket maximums to $1,500 single/$3,000 family
  - Add a $200 co-pay for all ER visits (not part of deductible)
  - Implement a 20% co-insurance for prescriptions instead of a 3-tier co-pay model
- Recognizing impact of these changes on employee, the City funds:
  - Onsite Workplace Clinic starting January 2015

Healthcare Benefit Design Changes

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<tbody>
<tr>
<td>Deductible*</td>
<td>$0</td>
<td>$500 Single/$1,000 Family</td>
<td>$750 Single/$1,500 Family</td>
</tr>
<tr>
<td>Co-Insurance*</td>
<td>$0</td>
<td>10% or $500 per member</td>
<td>10% Premium Providers</td>
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<tr>
<td>Out-of-Pocket Maximum*</td>
<td>$0</td>
<td>$1,000 Single/$2,000 Family</td>
<td>$1,500 Single/$3,000 Family</td>
</tr>
<tr>
<td>Co-Pay</td>
<td>$0 for Preventive</td>
<td>$0 for Preventive</td>
<td>$0 for Preventive</td>
</tr>
<tr>
<td></td>
<td>$10 Office Visits</td>
<td>$0 for Office Visits</td>
<td>$0 for Office Visits</td>
</tr>
<tr>
<td></td>
<td>$50 ER Visit</td>
<td>$150 ER Visit (after deduct/co-insurance met)</td>
<td>$200 ER Each Visit</td>
</tr>
<tr>
<td>Drug Co-Pays</td>
<td>$5/$17/$25 Co-Pay</td>
<td>$5/$25/$50 Co-Pay</td>
<td>20% Co-insurance ($4 Min/$75 Max)</td>
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<tr>
<td>Premiums</td>
<td>$20 per month single</td>
<td>12% of Total Premium</td>
<td>12% of Total Premium</td>
</tr>
<tr>
<td></td>
<td>$40 per month family</td>
<td>$75 per month single</td>
<td>$75 per month single</td>
</tr>
<tr>
<td>Rate Structure</td>
<td>Tier 1 Single</td>
<td>Tier 1 One Adult</td>
<td>Tier 1 One Adult</td>
</tr>
<tr>
<td></td>
<td>Tier 2 Family</td>
<td>Tier 2 One Adult w/Dependents</td>
<td>Tier 2 One Adult w/Dependents</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tier 3 Two Adults No Dependents</td>
<td>Tier 3 Two Adults No Dependents</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tier 4 Two Adults w/Dependents</td>
<td>Tier 4 Two Adults w/Dependents</td>
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<tr>
<td>Workplace Clinic</td>
<td>None</td>
<td>None</td>
<td>30 hrs per Week, No Cost to Participant</td>
</tr>
<tr>
<td>Healthy Rewards HRA</td>
<td>None</td>
<td>$150 per Participant ($150 Single/$300 Family)</td>
<td>$250 per Participant ($250 Single/$500 Family)</td>
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</table>

*In Network
Workplace Clinic

- Opens January 2015, staffed by Nurse Practitioner and Medical Assistant
  - Free to employees and spouses regardless of insurance coverage with the City
  - Services include diagnosis/treatment of minor illnesses/injuries, vaccinations, basic onsite lab tests, coordination of care of chronic disease conditions, and proactive outreach for prevention/early detection

- Value of Clinic
  - Immediate and convenient access to high quality care
  - No cost to employee/spouse
  - Positive impact on attendance/productivity
  - Employer cares about employees and family

- Clinic Visit Stats
  - Clinic used evenly by employees at City Hall Complex and those who work offsite
  - 12% of Spouses/Partners utilize the clinic
  - 1,900 visits in 2015
  - Over 40% of visits are from established patients (repeat visitors)

- Most Popular Reasons for Visits
  - Sinusitis, bronchitis, respiratory infection/cough, pharyngitis, UTI

- Cost $400,000 annually (.3% of HC budget) at 40 hours per week

Workplace Clinic & Wellness Center

- Immediate and convenient access to high quality care
- No cost to employee/spouse
- Positive impact on attendance/productivity
- Employer cares about employees and family
City of Milwaukee Workplace Clinic

Convenient, on-site health care services at no cost.

Location:
36 N. Avenue, Milwaukee
Office: 414-292-7000

Service Hours:
Monday: 7:30 - 3:30
Tuesday: 7:30 - 3:30
Wednesday: 7:30 - 3:30
Thursday: 7:30 - 3:30
Friday: 7:30 - 3:30

To make an appointment, call 414-777-3413.

Services:
- Blood pressure checks
- Blood glucose testing
- Flu shots
- Back pain
- Throat infections
- Respiratory infections

Meet Your Providers

Laura, FNP, Nurse Practitioner
- "It’s truly an honor to be a nurse practitioner for the City of Milwaukee. I believe that effective health care requires teamwork, the patient strives for wellness and the provider is committed to providing care that is centered around the patient's needs and health conditions. I also believe in individualized care.”

Jennifer, NP, APNP
- "I believe that empowering patients with the knowledge of how to lead healthy lives, without medication, is the foundation of my practice."

Deb, PhD, APNP, BC, Nurse Practitioner
- "I bring over 25 years of clinical and teaching experience to the City of Milwaukee Workplace Clinic. My philosophy is to develop a plan of action with the client to meet their current health care challenge using evidence-based practice strategies. We partner with all to develop knowledge of their condition and have the opportunity to ask questions, they can collaborate with a provider and care team.”

Workplace Clinic Outcomes

City of Milwaukee Workplace Clinic

Outcomes by Category

City of Milwaukee Workplace Clinic

Outcomes by Category

Workplace Clinic Outcomes

City of Milwaukee Workplace Clinic

Outcomes by Category

Workplace Clinic Outcomes
Impact of Changes & Workplace Clinic

- Emergency room visits decrease while urgent care visits increase
- Office visits decrease while preventive care visits increase
- Hospital admissions decrease by 6%
- Catastrophic Claims
  - Same number of claims in 2014 and 2015
  - Overall costs increased due to medical inflation
- Workplace Clinic Utilization
  - On track for 4,000 visits in 2016
  - High utilization could lead to further expansion
- Employee premiums remain flat for 5 years
  - Due to smarter utilization and benefit design changes
- Influence of other City programs: Wellness, Workplace Clinic, Risk Management
- Clinic expands in 2016 to offer onsite Physical Therapy for preventive care
  - Prevent injuries (pain, strain, etc.) that happen at work or home from becoming a worker’s compensation or healthcare claim
Active Healthcare Rates: Flat for 5 Years

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<tbody>
<tr>
<td>City Total Monthly Premium</td>
<td>$624</td>
<td>$75</td>
<td>$537</td>
<td>$64</td>
<td>$622</td>
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<td>City Employee Monthly Rate*</td>
<td>$622</td>
<td>$75</td>
<td>$622</td>
<td>$75</td>
<td>$617</td>
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<td>City Total Monthly Premium</td>
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<td>$1,234</td>
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<td>City Total Monthly Premium</td>
<td>$935</td>
<td>$112</td>
<td>$805</td>
<td>$97</td>
<td>$933</td>
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<tr>
<td>City Employee Monthly Rate*</td>
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<td>$933</td>
<td>$112</td>
<td>$926</td>
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<td>City Total Monthly Premium</td>
<td>$1,872</td>
<td>$225</td>
<td>$1,610</td>
<td>$193</td>
<td>$1,865</td>
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<td>$224</td>
<td>$1,866</td>
<td>$224</td>
<td>$1,851</td>
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- Nationally the total average cost of a family premium has increased 24% since 2010.
- The City’s total family premium cost has increased 1% during the same time period.
- National employee monthly premiums for Large Employers are significantly higher.
  - Average $96 for single (30% Higher than City)
  - Average $379 for family (71% Higher than City)
- National employee deductibles for Large Employers average $800 Single/$2,210 Family compared to $750 Single/$1,500 Family for the City.

Clinic Success Factors

- Many different factors aligned to allow City to consider onsite clinic option.
- Gaining support of key stakeholders and decision makers.
  - Mayor and Common Council received periodic updates on health and wellness initiatives and understood:
    - Impact of health/wellness changes
    - Ongoing fiscal impact City faced with healthcare budget
    - Financial burden of healthcare changes on employees, many with no salary increases for years
    - Clinic was a part-time pilot program with minimal investment.
- Process of selecting clinic partner.
  - City had a contract with Workforce Health (WFH) as Wellness Program provider.
  - Employees knew and trusted WFH.
  - Utilized WFH to gauge employee’s appetite for clinic instead of doing full scaled RFP.
  - WFH and City leadership understood that full RFP would be done if clinic was successful.
- Factors to consider:
  - Understanding workplace population and wants/needs.
  - Value to organization AND employee.
  - Timing.
  - Trust.
Questions & Answers

Renee Joos

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- rjoos@milwaukee.gov

Workplace Clinic  Are they right for you?

Q & A

Thank you!

For more information on this topic please contact:

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