

# Healthstat Employee Clinic

2015 Impact Analysis

# Clinic Overview

- Implemented in April 2011
- Operates 30 hours per week, staffed by Physician's Assistant and Office Assistant
- Provides preventive care, acute care, laboratory services, generic prescriptions, and wellness services
- Service is provided for medical plan participants and their dependents ages 2 and up
- No out of pocket cost, fees, or copays for clinic services for participants
- Participants (employees and spouses) are required to complete a Health Risk Assessment in order to utilize clinic services

# Clinic Objectives

- Reduce the cost of medical care through controlled costs for office visits, prescriptions, and laboratory services
- Reduce healthcare inflation trend to help mitigate rising cost of healthcare
- Improve employee health through health risk and disease management programs
- Increase productivity by reducing time employees spend away from work for medical care

# Healthstat

## Return on Investment

- Assumes without Clinic the City would have a 10% increase in claim costs annually from our baseline due to trend/medical inflation
- Excludes claimants over \$150k

Year	Projected Claims	Actual Claims	Claims Savings
April 2011 – March 2012	\$6,523,211	\$6,410,868	\$112,343
April 2012 – March 2013	\$7,049,787	\$5,819,585	\$1,230,202
April 2013 – March 2014	\$8,107,255	\$7,324,459	\$782,797
April 2014 – March 2015	\$9,330,260	\$7,250,118	\$2,080,142
<b>Total</b>	<b>\$31,010,513</b>	<b>\$26,805,030</b>	<b>\$4,205,484</b>
<b>ROI*</b>	<b>1.74</b>		

*\*Per Healthstat Methodology – comparing total savings and program costs*

# City Analysis of Clinic

- **Estimated Claims Savings**
  - Measures actual and projected claims and Rx costs versus total operating cost of clinic
- **Clinic Utilization**
  - Examines participation (employee/dependent) versus total eligible
- **Estimated Cost Diversion Savings**
  - Compares cost of a clinic visit versus the cost of a visit per our medical claims history
  - Considers the differences in the length of time employees spend away from work for a clinic visit versus Physician visit.
- **Health & Wellness Impact**
  - Examines the improvement of Risk Factors for those participants who have at least two Health Risk Assessment measurements.

# Estimated Claims Costs/Savings\*

- Assumes without Clinic the City would have a 7% increase in claim costs annually from our baseline due to trend/medical inflation
- Reduces claims savings by total clinic expenses

Year	Projected Claims (Cost)/Savings	Actual Claims (Cost)/Savings
2011	(\$158,184)	(\$429,225)
2012	(\$40,883)	\$1,197,481
2013	\$178,824	\$195,846
2014	\$608,470	(\$330,842)
2015	\$1,050,209	(\$168,262) Projected

*\*Per City Methodology – not Healthstat*

# Clinic Utilization

- Overall clinic participation is 70%, which is considered very high for a clinic that does not have a mandatory compliance program

Year	Projected Participation	Actual Participation
2011	31%	45%
2012	36%	56%
2013	41%	66%
2014	46%	70%
2015	46%	70% (YTD August 2015)

*Clinic participation percentage is not by month or year; it includes total participation (employee/dependent) usage versus total eligible*

## Clinic Utilization January 2012 - August 2015





# Cost Diversion Analysis (2014)

- Physician Visits
  - Estimated average cost of a visit per Medical Claims \$146.03\*
  - Estimated average cost of a clinic visit \$126.39\*\*
  - Total cost of clinic per visit \$149.50\*\*\*
- Lost Time Savings
  - Average physician office visit takes 2 hours including travel time
  - Clinic office visit takes 30 – 45 minutes including travel time
  - Estimated lost time work savings of 1.5 hours per visit
  - Per 2,948 visits, estimated work hours saved equals 4,422 hours
  - Estimated lost work time saving equals \$130,758.84

*\*Per historical claims data*

*\*\*Clinic costs/number of visits*

*\*\*\*Clinic costs/number of visits – Includes labs/Rx*

# Wellness Impact (2014)

## Risk Factor Changes

### Risk Factors

- The number of low risk Participants (0 risk factor) increased by 7%.
- The number of high risk Participants (4+ risk factors) decreased by 13%.

### Improved Health

- 122 (30%) Participants decreased their number of risk factors from 2011 to 2014.

### Maintained Health

- 183 (45%) Participants maintained their number of risk factors from 2011 to 2014.

### Declined Health

- 99 (25%) Participants increased their number of risk factors from 2011 to 2014.

# Wellness Impact (2014)

## High Risk Participants

Illustrates improvement in all 8 measured risk categories within top 20% of high risk patients/participants.



# Summary

- Cost reduction/control
  - The savings as calculated by the Healthstat method demonstrates we are receiving a return on our investment
  - After 5 years of experience the return on investment analysis is considered to be fully credible (April of 2016)
  - After 5 years it is expected the city will have cost savings, equal to 50% of trend
  - Recent claims experience driving reduction in City's methodology for ROI
  - Compliance program is expected to drive higher participation and ROI
- Employee satisfaction/wellness
  - Valued benefit – can assist with recruitment and retention
  - Significant impact in several situations for employee health and well-being
  - Compliance program is expected to increase positive results in risk factor movement and disease management

**QUESTIONS OR COMMENTS?**