

Workplace Wellness



Workplace Wellness: On-Site Medical Clinics

On-site, employer-sponsored medical clinics are growing in popularity, as employers look for new ways to manage health care costs and employee wellness becomes a bigger priority. An on-site clinic can have many benefits, but it is not the best choice for every employer.

Implementing an on-site medical clinic typically only makes sense for employers with several hundred employees or more at one location. However, some smaller companies partner together to offer joint clinics near their workplaces. Another emerging option for smaller companies is a mobile health van service, which can be contracted to visit the workplace periodically.

Services offered in an on-site or near-site clinic vary widely by company. Some clinics offer comprehensive primary care services, while others are meant to simply supplement the employees' primary care provider. These supplemental clinics may offer diagnostic services, injury care, pharmacy access, preventive care, wellness services and more. Employers can also choose the availability of their clinic; larger employers may keep it open throughout the workweek, while companies with a smaller budget may limit the days or hours the clinic operates. In addition, some clinics provide services to spouses and dependents as well, while others are limited to employees.

Pros

If an on-site clinic is a good fit for your company, you may realize the following benefits:

- **Lower health care costs.** Employers often see a positive return on investment within just two years of opening a clinic (depending on size, health of employee population, etc.). Much of this cost savings results from significantly lower ER visits and fewer unnecessary referrals to specialists. On-site clinics also allow employers to institute cost-efficient practices, such as mandating generics when available.
- **Convenience for employees.** An on-site clinic is often seen as a valuable perk, aiding in recruiting and retention efforts. It is especially helpful for recruits who are relocating and would need to find a new primary care physician.
- **Reduced absenteeism and increased productivity.** Many employees are forced to take time off work to visit the doctor; an on-site clinic means less time away from work.

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- Easy integration with company health initiatives. On-site clinics can be designed to integrate with company wellness initiatives, disease management programs and consumer-directed health plans, boosting utilization and improving effectiveness of these programs.
- Increased preventive care. An on-site clinic will encourage preventive and wellness care due to its ease and convenience for employees. Though preventive care is cost-free for employees, many do not take the time to visit their physician to obtain this important care; on-site clinics remove time and inconvenience barriers.
- Better quality of care. These clinics often foster improved quality of care, as wait times are shorter and patients spend more time with the nurse or doctor.
- Quicker, easier return to work. On-site clinics are ideal settings to treat workplace injuries. The injured worker can be seen immediately with no travel time or expense. Plus, physical therapy can be performed on-site, reducing the time drain of rehabilitation and streamlining return to work programs.
- More employer control over health benefits. In light of health care reform and the numerous requirements health plans must satisfy, some employers feel that on-site clinics give them better control over employee health benefits.
- Healthier workforce. The various benefits of an on-site clinic, if implemented and utilized effectively, often lead to an overall healthier workforce, which can reduce future health care costs and premiums.

Cons

Though on-site clinics can produce positive results for employers, there are also potential drawbacks to consider including:

- Employee privacy concerns. One objection frequently raised by employees is concern that the company will have access to their medical information and records – and may use that information against them. The HIPAA privacy law prohibits this practice and most clinics take this law very seriously, but employees may be unaware or misinformed about this privacy obligation.
- May not be economically feasible. On-site clinics do not guarantee return on investment for every company. Be sure to analyze your location, employees and options carefully to determine if an on-site clinic is a smart investment.
- Initial and ongoing cost. Employers may struggle with the initial cost to build and implement a clinic, particularly with the state of the economy. Not all companies can afford to invest the upfront costs and wait two or more years for any return on investment. In addition, clinics have ongoing costs to maintain, which may become a burden for companies during tough financial times in the future.
- Questioned quality of care. Some subject experts make the argument that on-site clinics tempt employers to interfere negatively with their employees' quality of care, such as encouraging clinic staff to under-diagnose illnesses or forgo expensive tests (even if necessary). Though some employers think such practices will lower health care costs, they will only worsen employee health (and increase health care costs) in the long run and eventually foster lower employee morale as well.