

## At more U.S. employers, the doctor is in

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Sunday, December 21, 2008



Cisco Systems' sleek new on-site health clinic looks more like a pampering day spa than a medical facility for the company's employees and their dependents.

Patients sign in on wireless tablets. They chat with their doctors in private "care suites," anterooms equipped with large, high-definition screens where they can view and discuss their vitals and medical information before entering the exam room. Comfortable padded exam tables, a choice of robes or gowns and an en suite bathroom help salve any indignities that await.

<<[Main story: Health insurance options limited after job loss](#)>>

The clinic, which opened for patients Nov. 24 at the networking equipment-maker's San Jose headquarters, is part of the company's new \$38 million LifeConnections Center, which also includes an employee child care center that can accommodate 400 children and a 48,000-square-foot gym.

A number of large corporations - Walt Disney Co., Harrah's Entertainment, Dow Chemical Co., Toyota Motor Corp., Pitney Bowes Inc. - offer on-site clinics as a way to improve their employees' health, cut medical costs and reduce the amount of time workers spend out of the office for doctor appointments. Intel Corp., based in Santa Clara, is trying out a medical clinic at its Arizona campus.

Virtually all large employers are self-insured, meaning they pay for medical care themselves and can reap the benefits of a healthier employee population.

"Companies have decided to take health care into their own hands," said Sue Adams, Intel's global health and well-being manager. "We're trying to control the escalating costs of health care."

Nearly 30 percent of large employers had a clinic on campus or planned to open one by 2009, according to a 2008 survey by Watson Wyatt Worldwide Inc., a human resources consulting firm, and the National Business Group on Health.

## **Not a replacement**

While on-site clinics have been around for decades, they are becoming sophisticated centers that offer services beyond urgent and occupational health care for on-the-job injuries. And they are a far cry from the company doctor or nurse who offered immunizations and drug tests.

Most company clinics are meant to complement, not replace, primary care services. But Cisco and a handful of other companies nationwide have taken the concept to another level, designing their clinics to be their employees' main health provider.

The Cisco clinic is staffed with four family-practice physicians and an internist, and the center hopes to add a pediatrician. It also offers physical therapy, acupuncture, chiropractic services, health coaching and a pharmacy operated by Walgreens.

"What we as Cisco can do is have a unique blend of technology as well as patient services and integration of care," said Dr. Pamela Hymel, senior director of Cisco's corporate medical programs, explaining that the clinic also serves as a showcase for Cisco's health technology.

Employers need to have at least 1,000 workers in one location to make the investment of a medical clinic worthwhile, said Michael Wood, senior consultant for health and productivity at Watson Wyatt.

The majority of employers surveyed did not track their on-site clinics' return on investment, but they generally save about \$2 to \$3 for every dollar they spend on wellness programs and other efforts to improve their employees' health, Wood said.

"Part of the challenge is it's difficult to put a value on increased productivity," Wood said. "While you can count the number of hours they didn't miss by not having to go to the doctor's office, you can't count how much more productive they are because they got their stress under control, they lost weight or quit smoking."

Wood said the biggest hurdle for company clinics is integration of care, or making sure that an employee's primary doctor or specialist has access to the medical information obtained at the clinic.

Pitney Bowes, based in Stamford, Conn., was an early adopter of the full-service, on-site medical clinic. The company, which provides products such as postage meters,

expanded the type of services its clinics provide in 1993 and now operates about a half-dozen clinics companywide.

Like many other large companies, Pitney Bowes concentrates on preventive health and helping employees with chronic illnesses - those who account for the bulk of medical claims - better control their illnesses. The company, which has about 24,000 U.S. employees, claims a 5-to-1 return on its investment and a savings of \$39 million a year in health costs.

For employees, the main draw is convenience. They don't have to wait weeks for an appointment, typically dropping in for a same-day visit.

### **Peace of mind - soon**

After Pitney Bowes employee Colette Cote found a lump in her armpit, she headed to the company clinic, where the doctor sent her to a dermatologist for a biopsy later that day. The clinic's doctor was able to assure her the lump did not appear to be cancerous, and subsequent analysis confirmed it was benign.

"The peace of mind you're able to get with having something evaluated immediately is huge," Cote said. "Productivity improves because I was able to go back to my desk and focus."

Protecting employees' medical information also is a key issue. Most companies work with a third-party vendor to provide medical services so employees can feel confident their employer does not have access to their sensitive medical information.

Intel contracted with Take Care Health Systems, owned by Walgreen Co., to operate the two clinics that opened in October as part of the company's six-month pilot program in Arizona. Eventually, the company plans to expand the clinics to its other U.S. locations, including its Santa Clara headquarters.

"We've got a lot of technology built in so none of the data flows through Intel channels at all," said Intel's Adams. "The server is managed by a third-party company. We vendored-out the entire clinic. These are medical professionals hired to provide the service."

Unlike Cisco's center, Intel's clinics focus on providing basic services - immunizations, lab tests, travel medicine - along with preventive care services that are part of the company's wellness program.

Intel's clinics are free for preventive care services, but cost \$10 for other visits such as being seen for a cold or flu.

Employees who have a high-deductible health plan are charged on a sliding scale basis as required by law, Adams said. She said medical records can be transferred to an employee's primary-care physician or specialist.

Cisco's program is different because the clinic is an in-network provider for all the company's health insurers, with the exception of Kaiser Permanente. Cisco plans to bring a Kaiser physician on board to serve those members.

Employees are charged the same co-payment as other providers - from \$10 to \$25 - and payments are automatically applied to their deductibles. Employees' medical records and claims information are also integrated with their overall health coverage, with the Cisco clinic's information stored on a network that is separate from the company.

Cisco modeled its clinic after Cerner Corp., a health technology company based in Kansas City, Mo., that also operates the Cisco clinic. Cisco contracts with other providers for such services as mental health and health coaches, and established a medical group for its physicians.

Cisco employee Uma Desiraju, who was responsible for integrating the technology within the clinic, has already made several visits to the health center for the flu and acupuncture sessions. Her husband, who is not a Cisco employee, comes to the center for physical therapy appointments.

"The convenience is one aspect, but the quality of care is totally different," Desiraju said, following an acupuncture appointment. "Even if this facility wasn't convenient, you would want to come here for the quality of care."

### **Getting medical care at work**

A growing number of large companies are offering on-site medical services for their employees.

- Employers need to have at least 1,000 workers in one location to make the investment of a medical clinic worthwhile.
- Reduced medical costs and improved productivity are the main reasons companies establish on-site health centers.
- Preventive care, such as immunizations and screenings, are the most common services. Many companies offer disease management, wellness services and programs to help workers improve their lifestyle choices.
- On-site employer clinics generally are designed to enhance, not replace, employees' regular doctor care.

Source: Watson Wyatt Worldwide

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*This article appeared on page C - 1 of the San Francisco Chronicle*