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*Mike is widely considered a thought leader in the on-site clinic arena. He has published a book on the concept and runs the industry-leading blog, [onsiteclinics.org](http://onsiteclinics.org).*

LaPenna: Originally, we just discovered that nobody was talking or writing about [on-site clinics]. When you find out there's a topic that hasn't been written about or blogged about, you go and do just that.

All of that stuff is meant in a very, very pure fashion. It was designed to give people platforms for discussion and discovery. We think that if people know more about the industry, then the consultants and the vendors and everybody else will do well.

LaPenna: Although it's not a new industry anymore, it is still on the developmental curve. By that, I mean your standard absorption curve that you teach in marketing classes. There is definitely a body of knowledge around it; however, there's some confusion about what the industry really is.

The biggest problem with the [on-site clinic] industry right now is no single company is the leader and most of the companies aren't branded well. It's really confusing for entities looking for the service.

LaPenna: The most important advancement, by far, is the “near-site clinic” concept. It’s technically off-site, but still private and dedicated to employees.

Lastly, I've noticed the emergence of hospitals and health systems trying to figure out where they fit into the program.

LaPenna: I see three things:

The second is that many employers look at this not as a cost-saving thing, but rather as a best-in-class service. The employers that we work with don't want to provide bad healthcare, or they don't want to provide benefits that people don't like. Rather, they want to have people [employees/prospects] look at them and know they have world-class benefits.

Vendors have the opportunity to elevate themselves here. The result would be employers all of a sudden saying, “Wow, these guys provide care, evaluate risk, and go through claims. They understand more. They tell me way more than the report I get from ‘ABC Benefits Consulting Company’ and they are telling me more than my broker ever told me.”

## CareATC®: How has the ACA affected the opportunity for employers seeking the on-site clinic model?

LaPenna: The ACA threw sand in the gears for about 2 to 3 years. Right now, I'd say the very large employers that are national felt absolutely no impact, but they certainly paused for a while. Medium sized employers that continue to offer healthcare or are self-funded, they are going to be more eager to have on-site clinics because they can organize their healthcare benefits with much higher precision than an ACO. And the smaller or modestly sized employers, they don't have much market power unless massed in one big unit. They will be moving in and out of different programs for a long time.

## CareATC®: So you think the near-site network might be an opportunity for these smaller to mid-sized companies?

LaPenna: Yes. It will be if you can get a business coalition that's able to consolidate the employers. Think of business coalitions or business groups of health of some kind of sum for a region that is doing something for the smaller employers. Then go to that intermediary or consolidator.

## CareATC®: In your opinion, can the on-site clinic model be a good solution for employers with fully insured medical plans?

LaPenna: Yes, however any company that exceeds 700 to 1000 employees is already in the self-insured category. *[What drives them there? It's common sense of course. Look at [Self-Insurance 101](#)]*

Now, looking at mid-sized employers with fully insured plans, the model would work if the politics would allow it. That is a cautionary statement, but I wouldn't deploy a sales team to try and discover whether the politics will work, because they typically don't. Blue Cross, Aetna, Cigna, United ... companies buy their insurance from these providers because they already have their networks and are already committed to an existing historical program. The on-site clinic model does not currently fit that program.

## CareATC®: What do employers most overlook when evaluating the on-site clinic solution?

LaPenna: I always say that the on-site clinic is a game changer for the entire benefit program. What companies often overlook is the fact that on-site clinics are the platform for which they can gain health plan steerage.

Through integrated medical records, population health management, and patient portals, companies don't just roll out the clinic for the employee; they roll out the clinic for themselves, too. That's what employers miss when they are first looking at this. It's important to explain this to them up-front.

## CareATC®: What seems to be the tipping point for most employers when deciding on an on-site clinic vendor?

LaPenna: In most cases, companies experience an internal epiphany that healthcare costs have reached a certain level. The result is an aggressive search for a solution.

Often times, there is a changeover in senior leadership from

somebody who has been traditionally involved in the decision. When new HR people come in, they're often in a panic, scrambling to bring a new program that helps them score a win with the company. A new CFO will have lined up all of the things they want to do, and conquering healthcare is almost always one of them.

Simply "selling" on-site clinics can be tricky. A sales team can call on a firm for 5 years, but until you can link something like a change in personality or leadership within the firm, you might not experience much success. That being said, a sales team helps expose the idea early and often.

## CareATC®: Our company believes employer-sponsored clinics are a great place to manage chronic conditions and offer preventive services. Do you agree? If so, why does the on-site clinic model work in this regard?

LaPenna: Agreed. The presence of an on-site clinic changes the entire risk profile for the company. Employees have better access to preventive care, which ultimately reduces risk. Better yet, employers can evaluate the effectiveness of the programs in real-time.

When we explain on-site clinics to employers, we say, "Look, just get into the on-site clinic arena, and everything else will take care of itself. It won't necessarily be cheaper in the beginning, but don't worry about it, because it is more effective, and we know that effective care reduces cost significantly in the long term."

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## CareATC®: As one of the few consultants who specialize in this industry, what do you see as the strengths and competitive advantages for CareATC®?

LaPenna: Well, I've learned a lot about CareATC® during this visit and if we were to run a planning session for the company, one of the obvious strengths I would note is that the company has several very strong relationships with great employers who are willing to try almost anything. CareATC® needs to view that as a huge advantage and resource because [if leveraged properly] these will be things that will help you innovate, be publishable and remarkable, and could set CareATC® apart from others.

Another obvious strength is the fact that you're not merging up with anybody. You're not going through the chaos that some companies are going through. Your independence helps you come to work everyday and know your job. It helps you stay efficient and focused on providing excellent service.

Another strength I noticed is that you chose well with the eClinicalWorks EHR platform. CareATC® has the technology and infrastructure that employers expect. That's really key, and that's a big positive.