

Bending the Cost Curve

To improve health and contain health care costs, more employers are counting on near-site health clinics

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Let's get straight to the bottom line:

Employers of all sizes know that, of all the expenses they must manage, health care costs for their employees are among the most difficult to predict and control.

This is partly due to the rise of emergency room visits and a lower utilization of preventative care measures to catch health conditions before they become serious and harder to treat, which can lead to an uptick in hospitalizations, medications, and readmissions.

According to the Kaiser Family Foundation, **U.S. health care prices have increased a staggering 21.6% since 2008**, driving companies to find creative approaches to manage these costs. Many employers are seeking alternatives to lower their health care costs through direct contracts or bundled pricing.

To address this problem, a growing number of U.S. employers, including Indianapolis-based St. Vincent, have invested in the creation of on-site or near-site wellness clinics to improve employee health and generate related cost savings. The National Business Group on Health reported that **47% of large employers established on-site or near-site health clinics in 2016 and 56% of employers are expected to have done so by the end of 2019.**

In recent years, headlines have highlighted Fortune 500 companies like Apple, Amazon, and Disney for efforts to establish near-site wellness clinics as a benefit providing employees with easier and more convenient access to low-cost or no-cost preventative care. The trend extends to Indiana, when multi-national automaker and long-established health and wellness innovator Fiat Chrysler Automobiles (FCA), partnered with St. Vincent to become the first domestic automaker to establish a near-site health clinic for its employees. The partnership led to last year's opening of the new **FCA Family Health and Wellness Center** in Kokomo – a physician-led, primary care clinic offering no-cost health care services exclusively for FCA employees and their families.

Citing high per capita health care costs and a shortage of primary care physicians in Indiana, FCA established the Kokomo-based clinic to create a more personalized and distinct health care experience. Before opening the clinic, FCA reported that approximately 40% of their employees did not have a primary care physician, which means many of them were visiting costly emergency rooms for their health care needs and missing out on preventative screening opportunities. Frequent and unnecessary ER visits can create highly variable expenditures for employers and partnering with providers like St. Vincent can help to establish a stable, fixed cost.

With this preventative care model, the FCA Family Health and Wellness Center pays for basic care, including primary care doctor visits and consultations with an exercise physiologist and a dietitian. Thanks to the arrival of this new clinic, FCA employees and their families – a group that consists of more than 22,000 people – don't have to pay a penny, not even a co-pay, for such services, which includes personalized, comprehensive primary care services and wellness programs.

The clinic is centrally located to accommodate employees at the five FCA plants in the Kokomo and Tipton areas, which comprise one of the largest automotive transmission complexes in the world.

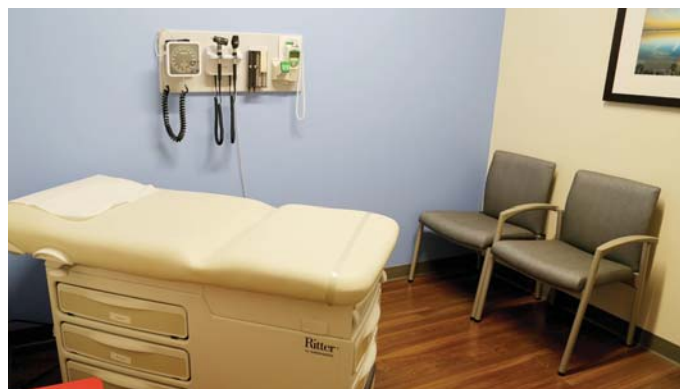
"Kokomo is the perfect location to launch a primary care, near-site clinic given the size and proximity of the employee community working in our five local manufacturing facilities," said Kathleen Neal, director - integrated health care & disability, FCA. "Sustaining a healthy workplace and promoting the well-being of our employees and their families is integral to the success of our business."

St. Vincent, part of Ascension – one of the leading non-profit and Catholic health systems in the U.S. – was selected to operate the FCA Family Health and Wellness Center. Dedicated to serving Indiana's residents for nearly 140 years, St. Vincent offers FCA employees and their families access to not only primary care providers and wellness

services through this new clinic, but also to local specialists at St. Vincent Kokomo and other sites of care across the integrated St. Vincent health system.

With this preventative care model developed by St. Vincent, the idea is to help catch more health problems earlier, before they become serious emergencies and more difficult and costly to treat.

Earlier this summer, St. Vincent named Kimberley Mendenhall its vice president of direct-to-employer solutions, a statewide service line dedicated to providing companies across Indiana with a comprehensive and collaborative approach to meet the health care needs of their employees, emphasizing prevention and wellness. In this new role, Mendenhall and her team will proactively promote St. Vincent's vast employer-facing health care solutions targeted to top management, benefits administrators, business owners, human resources leaders, safety managers, and fire and police chiefs.



As part of its state and nationwide efforts to increase access to care, St. Vincent is working to strategically provide employers customized solutions with proven clinical results and measurable financial outcomes.

In addition to FCA, over the past several years, St. Vincent has established successful programs with partners including Carmel Clay Schools, Zionsville Community Schools, The Heritage Group, and Public Safety Medical, just to name a few.



The FCA Family Health and Wellness Center, powered by St. Vincent, was officially dedicated during a ceremony on July 26, 2018. The physician-led, primary care clinic is exclusive to FCA employees and their families in Kokomo, Indiana. Pictured from left to right: Kathleen Neal, Director of Integrated Health Care & Disability, FCA US; Barbara Pilarski, Head of Human Resources, FCA - North America; Catherine Stoe, International Benefit Coordinator, UAW; Brian Harlow, Head of Manufacturing, FCA - North America; Eric Holcomb, Governor, State of Indiana; Jonathan Nalli, Chief Executive Officer, St. Vincent Indiana; Dr. Michael Busk, System Executive, St. Vincent Health, Wellness and Preventive Care Institute; and Margaret Johnson, President Northwest Region, St. Vincent, Account Manager, FCA Family Health and Wellness Center, powered by St. Vincent.

