REPORT OF THE COUNCIL ON MEDICAL SERVICE

CMS Report 1-A-13

Subject: Worksite Health Clinics

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Referred to: Reference Committee G
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At the 2012 Annual Meeting, the House of Delegates adopted Policy D-160.937, which was assigned to the Council on Medical Service for a report back to the House of Delegates at the 2013 Annual Meeting. Policy D-160.937 states that:

> Our American Medical Association (AMA) will: (1) study the effect of on-site employer sponsored medical clinics on employee preventive health benefits and health access benefits; and (2) develop guidelines for the operation of on-site employer-sponsored medical clinics, ensuring that employee privacy, safety, and access to preventive health are not compromised, and that such clinics are staffed by MD/DOs, or health care practitioners who have direct access to and supervision by MD/DOs, as consistent with state laws.

This report provides background on worksite health clinics, outlines issues associated with the structure of worksite health clinics, summarizes relevant AMA policy, and presents policy recommendations.

BACKGROUND

In 2011, approximately 170 million individuals in the US were covered by employer-sponsored health plans.[1] According to the 2012 Employer Health Benefits Survey from the Kaiser Family Foundation and the Health Research and Educational Trust (KFF/HRET), average annual premiums for employer-sponsored coverage in 2012 were $5,615 for individual coverage and $15,745 for family coverage, with employers covering on average 82 percent of the premium for individual coverage and 72 percent of the premium for family coverage.[2] Facing a continuous escalation in health care costs, employers are seeking ways to control their spending while continuing to offer competitive health insurance coverage to their employees.

A leading strategy used by employers to control their health care spending has been to make significant investments in programs and initiatives to improve employee health. Cost containment has not been the only goal of workplace health initiatives; however, investments in workplace health have also aimed to reduce disability, work-related injury and absenteeism, as well as increase productivity.[3,4,5] Therefore, many employers have focused workplace programs on individuals with chronic conditions, and on modifying employee behaviors with respect to physical activity, tobacco use, alcohol consumption and nutrition. While workplace wellness programs have been the most common approach to modify employee health habits and behaviors, many employers have also taken an additional step to improve the health of their employees and contain direct medical costs by implementing worksite health clinics.

Large employers that self-insure are the most likely employer segment to establish on-site clinics. Such employers can have the greatest impact on containing the health care costs of their employees. In addition, due to their size, on-site clinics of large employers are more likely to be financially viable and ultimately reap savings. Several surveys estimate a growing percentage of midsize and large employers with on-site health clinics, most of which were conducted by consulting firms in the private sector. According to Towers Watson's 2012 Health Care Changes Ahead Survey, 19 percent of midsize and large employers offer an on-site health clinic in at least one location, with three percent planning to do so in 2013 and 14 percent considering doing so in 2014 or 2015.[6] The 2012 Employer Health Benefits Survey from KFF/HRET also addressed this issue and found that 22 percent of firms with 1000 or more employees reported operating an on-site clinic, and 76 percent of these firms reported that employees could receive treatment for non-work-related conditions at the on-site clinic.[2] According to the 2012 Society for Human Resource Management Employee Benefits Survey, eight percent of employers overall currently operate on-site clinics.[7] The 2010 Health Tracking Household Survey of the Center for Studying Health System Change found that 8.2 percent of families had at least one family member who had ever accessed a worksite health clinic, and 4.9 percent had a family member who used such a clinic in the past year.[8]

STRUCTURE OF WORKSITE HEALTH CLINICS

Employers considering the establishment of worksite health clinics have the choice of three primary models when designing their clinics: 1) use third-party vendors to manage their clinics; 2) take more ownership of clinic operations and employ all clinic staff and management; or 3) contract with health care providers in the community to manage and/or staff their clinics. To date, most employers with on-site health clinics have chosen to outsource clinic operations to vendors that provide comprehensive staffing and management, because employers often do not have the expertise to manage their own clinics.[5]

Worksite health clinics can offer a range of services to their employees, and in some cases, the employees' families. Some on-site clinics only offer occupational health services to treat work-related conditions and offer physicals and screenings to employees and in some cases, employees' family members. Many employers, however, have chosen to offer additional services in their on-site clinics, including acute and urgent care, preventive care, wellness and disease management services. Offering a wider range of services at on-site clinics can enable employers to impact more dramatically health care delivery by changing practice patterns ranging from drug prescribing to ordering tests, and influencing specialist referrals. In addition, by offering a wide range of medical services on-site, employers can make it easier for their employees to access needed medical services, which can lead to the earlier diagnosis and treatment of medical conditions, and potentially reduce the number of emergency room visits, the incidence of medical complications and the need for otherwise avoidable hospitalizations.[4,5,9]

Worksite health clinics differ in their staffing arrangements. Clinic staffing is often dependent on the services provided at the on-site clinic, as well as the viewpoint of the employer. Notably, the greater the range of primary care services offered at the worksite clinic, the more likely it is for clinics to use primary care physicians.[5] However, some employers have preferred using nurse practitioners in their on-site clinics, in alignment with state scope of practice laws. Worksite clinics that offer wellness services can also have a diversity of health professionals on their staffs, including health educators, nurses and nutritionists.

The design and focus of worksite health clinics can impact the patient-physician relationship and continuity of care. While most employers offering primary care at their on-site clinics do so to

supplement, not replace, the primary care offered by physicians in the surrounding area, some have structured their on-site clinics to serve as the main source of primary care for their employees, with little or no cost-sharing. Therefore, the design of worksite health clinics can influence patient choice of physician and site of service. Also, worksite health clinic design can impact the continuity of care patients receive, if there are no effective communication and referral systems between worksite clinics and community physicians.

Worksite clinic design can also affect the payer mix of the physicians in the community in which the on-site clinic operates. Worksite clinics that offer a broader spectrum of medical services can limit the number of patients with private, employer-sponsored insurance coverage who access medical services in the community. Therefore, community physicians may have patients with a more limited payer mix of Medicaid, Medicare and self-pay. Such market impacts are likely to be more pronounced in communities in which there is only one or a handful of main employers. Conversely, some employers have established worksite clinics in response to local shortages of primary care physicians to ensure that their employees and their families have access to necessary medical care.

The Council notes that employers do not use a standardized methodology to measure return on investment for services provided at worksite clinics. Notably, the 2012 Onsite Health Center Survey Report administered by Towers Watson found that of those employers surveyed, 39 percent did not know the return on investment of their worksite health center, and 14 percent did not track such return on investment.[10]

AMA POLICY

AMA policy supports employers providing a safe workplace and contributing to a safe community environment. Part of the role of employers in this regard is offering programs on health awareness, safety and the use of health care benefit packages. AMA policy also states that government, business and industry should cooperatively develop effective worksite programs for health promotion and disease and injury prevention, with special emphasis on substance abuse (Policy H-170.986). Policy H-365.997 encourages employers who provide or arrange for special or comprehensive medical examinations of employees to be responsible for assuring that these examinations are done by physicians competent to perform the type of examination required. The policy also states that whenever practical, the employee should be referred to his or her personal physician for such professional services. With an emphasis on continuity of care, the policy stresses that efforts should be made to assist employees in obtaining a personal physician if they do not already have one.

AMA policy also supports the role of employers in the areas of prevention and wellness. Policy H-165.840 supports evidence-based prevention in all appropriate venues, such as primary care practices, specialty practices, workplaces and the community. Council on Medical Service and Council on Science and Public Health Joint Report A-06 established Policy H-170.963, which supports an integrated approach to encouraging the adoption of healthy lifestyles, involving coordinated efforts by physicians, other health care providers, insurers, employers, unions and government. The policy also outlines principles to guide the development of reward-based incentive programs to promote healthy lifestyles. Policy H-165.838 outlined investments and incentives for prevention and wellness initiatives as critical components for health system reform. Policy H-95.984 urges employers who choose to establish alcohol and other drug testing programs to use confirmed, positive test results in employees primarily to motivate those employees to seek appropriate assistance with their alcohol or other drug problems, preferably through employee assistance programs.

Concerning the role of employers in patient privacy, Policy H-315.983 states that employers should be barred from unconsented access to identifiable medical information lest knowledge of sensitive facts form the basis of adverse decisions against individuals. The policy also stresses that employers should adopt explicit and public policies to assure the security and confidentiality of patients' medical information.

DISCUSSION

The Council believes that worksite health clinics can benefit both employers and employees. For employers, worksite health clinics hold promise in controlling health care spending; improving employee health; reducing disability, work-related injury and absenteeism; and increasing productivity. For employees, worksite health clinics may offer a more convenient method to receive needed medical and wellness services, and lower out-of-pocket spending in some cases. This convenience may extend to the family members of employees as well, depending on the clinic's eligibility criteria. However, privacy and confidentiality remain concerns of some employees who have access to worksite health clinics. Employers must not have unconsented access to identifiable medical information and must be prohibited from discriminating against individuals based on disease, as well as retaliating due to employee health status.

The Council recognizes that the structure of worksite clinics can impact the practices of community physicians and care provided to patients. To ensure continuity of care, worksite health clinics should establish protocols for ensuring continuity of care with practicing physicians within the local community. Such protocols need to include the transmission of all reports of all worksite clinic visits, treatments and immunizations to the community physicians identified by each patient. If worksite clinics use non-physician practitioners to deliver care, in alignment with state scope of practice laws, the Council believes that physicians must be available for consultation, and clinics must inform patients that health care practitioners working in worksite health clinics might not be able to diagnose and treat certain conditions.

For worksite clinics that offer a wider range of medical services, including primary care services, community physician involvement in clinic operations can ensure continuity of care for the patients of worksite clinics. In addition, worksite health clinics need to establish a referral system, so patients with medical conditions outside of the clinic's scope of services can easily be referred to a community primary care physician or specialist, or if necessary, to an emergency facility. Such relationships with community physicians and hospitals can help ensure after-hours access to care for patients of worksite clinics.

Worksite health clinics also need to measure the quality of services provided to patients and engage in quality improvement initiatives. The Council notes that efforts to measure quality, as well as coordinate care, could be augmented by health information technology systems that are interoperable, to support two-way communication and sharing of medical records between worksite health clinics and community physicians and hospitals, as well as the transmission of immunization information to state immunization registries.

In accordance with Policy D-160.937, the Council proposes a series of principles for the establishment and/or operation of worksite clinics. In addition, the Council recommends rescinding the directive calling for the study of and development of guidelines for worksite clinics (Policy D-160.937).

RECOMMENDATIONS

The Council on Medical Service recommends that the following be adopted and the remainder of the report be filed:

1. It is American Medical Association (AMA) policy that any individual, company, or other entity that establishes and/or operates worksite health clinics should adhere to the following principles:

    a) Worksite health clinics must have a well-defined scope of clinical services, consistent with state scope of practice laws.
    b) Worksite health clinics must establish a referral system with physician practices or other facilities for appropriate treatment if the patient's conditions or symptoms are beyond the scope of services provided by the clinic.
    c) Worksite health clinics that use nurse practitioners and other health professionals to deliver care must establish arrangements by which their health care practitioners have direct access to MD/DOs, as consistent with state laws.
    d) Worksite health clinics must clearly inform patients in advance of the qualifications of the health care practitioners who are providing care, as well as the limitation in the types of illnesses that can be diagnosed and treated.
    e) Worksite health clinics should develop expertise in specific occupational hazards and medical conditions that are likely to be more common in the particular industry where the company offers products and services.
    f) Worksite health clinics must use evidence-based practice guidelines to ensure patient safety and quality of care.
    g) Worksite health clinics must measure clinical quality provided to patients and participate in quality improvement efforts in order to demonstrate improvement in their system of care.
    h) Worksite health clinics must adopt explicit and public policies to assure the security and confidentiality of patients' medical information. Such policies must bar employers from unconsented access to identifiable medical information so that knowledge of sensitive facts cannot be used against individuals.
    i) Worksite health clinics must establish protocols for ensuring continuity of care with practicing physicians within the local community. Such protocols must ensure after-hours access of employees and eligible family members, as well as the transmission of reports of all worksite clinic visits and treatments to the physicians of patients with an identified community physician.
    j) Worksite health clinics administering immunizations must establish processes to ensure communication to the patient's medical home and the state immunization registry documenting what immunizations have been given.
    k) Patient cost-sharing for treatment received outside of the clinic must be affordable and not prohibit necessary access to care.
    l) Worksite health clinics should allow the involvement of community physicians in clinic operations.
    m) Employers implementing worksite health clinics should communicate the eligibility for services of employees' family members.
    n) Worksite health clinics should be encouraged to use interoperable electronic health records as a means of communicating patient information to and facilitating continuity of care with community physicians, hospitals and other health care facilities. (New HOD Policy)

2. That our AMA rescind Policy D-160.937, which prompted the development of this report by calling for the study of the effect of worksite health clinics on employee preventive health

benefits and health access benefits, as well as the development of guidelines for the operation of worksite health clinics. (Rescind HOD Policy)

Fiscal Note: Less than $500.

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