

## New approach to care

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Just look north to Citrus County to get an idea of how the Pasco County school district plans to save money with on-site health clinics for its employees and their dependents.

A clinic for Citrus County school district employees opened in May after the school board there signed a contract with CareHere, the same company that the Pasco County School Board has worked out a deal with.

Both school districts hope that clinics on or near worksites will help lower health insurance costs that have been skyrocketing in recent years, eating into school budgets and employee pocketbooks.

Pasco and Citrus join other school districts and government agencies in Florida that have turned to on-site health care as budgets have tightened and revenue shortfalls have grown.

"Health insurance is so expensive that (employees) feel they've lost control," said Dave Stephens, director of risk management and employee relations for the Citrus school district. "This is a way to control costs."

The Pasco school board approved a contract with CareHere in August and wants to open three clinics in January scattered geographically across the county at or near schools or other school district offices.

CareHere, a Tennessee company, will operate the clinics and provide services such as workers' compensation, drug and alcohol testing, primary care, specialist care, allergy shots and health screenings.

The annual cost to the district is expected to be about \$4 million, but the goal is to save money in the long run by reducing employee health care costs, which totaled more than \$60 million last year.

In addition to paying CareHere an administrative fee of \$23 per employee per month, the district is responsible for the operating costs of the clinics, including payroll for medical personnel, supplies and utilities. Those expenses will be billed to the district by CareHere.

The medical personnel will be hired by CareHere, not the school district, the same way it works in Citrus.

The Citrus clinic operates in a strip shopping center on Lecanto Highway in the community of Beverly Hills.

That clinic, open to school district employees and their dependents, includes a triage room, three examination rooms, an X-ray lab and a pharmacy with some medications that can be dispensed to patients at no charge.

Patients make appointments online or through a toll-free number. They also have access to a 24-hour nurse line.

Use of the clinic is optional. Employees who prefer to stick with their primary care doctors can do so.

One of the advantages for patients who visit the CareHere clinic, though, is they aren't charged a co-pay or deductible.

"They come to us, it's free," said Ray Tomlinson, vice president of Florida operations for CareHere.

Typically, in the first year at least 40 percent of employees will give the CareHere clinic a try, Tomlinson said. Usually, there is a surge of use right after a clinic opens, then a dropoff before use begins to build back up, he said.

CareHere also has a contract with the St. Johns County school district and is in negotiations with other school districts as well, Tomlinson said. Other clients of the company include the Lee County Sheriff's Office and the city of DeLand.

Stephens said the Citrus school district and its employees spent about \$12 million on health care last year. Citrus is hoping to shave about \$1 million off that through the contract with CareHere.

Savings come in several ways, Tomlinson said. Group health insurance usually is handled with a fee-for-services model. The more services the doctor provides during a visit, the greater the bill to the insurance company. Those costs eventually are passed along to the employer and employees, Tomlinson said.

With CareHere, the school district is paying a flat fee for the service.

Savings also happen when patients avoid high-priced medicines by using the mostly generic products available in the clinic's pharmacy. Tomlinson said prescriptions can account for as much as 25 percent of the total cost of health care.

When a clinic is at or near the workplace, he said, employees spend less time away from the job for an appointment.

Another goal of the clinics is to improve the overall health of the employees.

"A healthier, happier employee is a more productive employee," Stephens said.

During the first year a CareHere clinic opens, about 20 percent of the patients have not seen a doctor in six to 10 years, Tomlinson said. Usually, they are men. Maybe money was the reason they avoided doctor visits. Maybe it was difficulty scheduling an appointment.

Regardless, Tomlinson said, the availability of the CareHere clinic cuts through some of the excuses and those reluctant patients finally take time to see a doctor.

That can lead to cost savings, too. On the surface, it might seem that people who avoid doctor visits would create the least costs. After all, they aren't adding to the health insurance claims.

The problem, Stephens said, is health problems that could have been headed off instead go untreated.

"When they do hit the health plan, it's a catastrophic claim," Stephens said.

The Citrus school district, which employs about 2,500 people, has just one clinic right now, but is discussing with CareHere the possibility of opening a second.

Pasco, with about 9,000 employees, plans three clinics initially. Mary Tillman, Pasco's director of employee benefits and risk management, told the school board last month that the district eventually could have twice that many.