Health Care

Mercy, SSM face new competitors in workplace clinic business

Indy Willis was facing a full schedule of meetings one day earlier this month. It was a typical day for the Maritz sales systems analyst — except she wasn’t feeling great. She didn’t have time to visit a nearby urgent care center let alone her physician in St. Peters, a 40-minute drive from Maritz’s Fenton headquarters.

But Willis could squeeze in a visit to the new on-site Mercy clinic at her workplace that is staffed by a doctor three days a week. The visit saved Willis time and Maritz money.

Typically, a visit to the urgent care costs about $100. Industry sources say the on-site clinics cost the employer $28 to $50 per member per month for unlimited visits.

For Mercy and other on-site clinic providers, the strategy is to reach patients sooner and where they are — at work.

Donn Sorensen, president of Mercy’s east communities, said by intervening in an employee’s health earlier, the health care provider can get to the root of the problem faster, ultimately cutting health care costs for an employer and lost productivity.

Nationally, workplace clinics are a growing trend, according to a 2012 survey by human resources firm Mercer. Thirty-seven percent of employers with 5,000 or more workers now report they have on-site clinics, up from 32 percent in 2010. And many say it’s worth the investment, although measuring the return remains a challenge for some, according to the report.

Of the one-third of respondents that have been able to measure ROI, “More than half reported a return of 1.5 or greater — and a quarter reported a return of at least 2.5. Only 12 percent say they have not yet broken even on their investment,” the report stated.

Mercy isn’t the only St. Louis-based health system setting up on-site workplace clinics. SSM Health Care has contracted with Lindenwood University since 2008, offering health services to the 5,000 students who pay $15 as part of their annual student fees to help finance the contract with SSM.

National health care providers also are courting local companies. Peter Dunn, principal at Indiana-based Activate Healthcare, said the company is in talks with several local employers but declined to name them. He said the firm serves nearly 30,000 patients each year in its 15 workplace clinics in Indiana and Washington.

Chris Johnson, manager of consulting services for J.W. Terrill, said workplace clinics could have a major impact on admissions to hospitals, physician offices and urgent care centers.

Mercy’s Dr. Christian Sutter examines Maritz employee Jennifer Kuehl at the company’s on-site clinic.

“If (a large employer) decides to put a large scale, on-site clinic and drive a good chunk of urgent care and outpatient and primary care to these clinics, all of a sudden that is lost revenue for the local hospital establishment,” Johnson said.

Neither Mercy nor SSM disclosed the length or value of the on-site clinic contracts. Maritz officials said they invested “thousands” to update the space for the clinic, while Mercy supplied all the equipment.