

## Sources of Savings (Source: Adapted from A. Michael LaPenna, Workplace Clinics and Employer Managed Healthcare)

### Direct and Measurable Cost Avoidance (Hard Savings)

What can be counted and what can be counted upon? The savings have to be real and dependable. The following categories can be assessed with a high level of confidence, and the results can be incorporated within a payback pro forma that can be offered to the C-suite without much dialogue. The numbers should speak for themselves.

- **Salaried vs. Fee For Service:** The costs associated with the provision of health services in a site owned and maintained by the company (or vendor) and in which primary care services are made available can be easily measured against outside costs (make or buy)
- **Narrow Network:** The costs related to the development of a select network of specialists and other providers who are connected to the onsite primary care program can be compared easily to alternative contract (or historical) costs
- **Appropriate care settings and scenarios:** Employee election of more appropriate care settings and scenarios can be projected
- **Care Management:** The effectiveness of a focused care management team (or concierge nurse), who can assist with the direction of employees and their beneficiaries to immediately accessible and cost-effective health services while reducing duplication and monitoring effective utilization can be gauged
- **Ancillaries and Therapeutics:** Savings from ancillaries (onsite access to pharmacy, imaging, diagnostic services) and direct costs for therapeutic services (physical therapy and other rehabilitative functions) can be assessed