



## Source 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.