

Getting What You Pay For

Gale Adcock

What does it take to create and sustain a first class work environment that fosters innovation, increases employee engagement, and boosts productivity? It certainly takes more than a competitive salary, flexible hours, and a sound retirement plan.

Businesses cultivate excellent work environments, and thus enhance their employees' contributions, by taking seriously the mantra, "good health is good business." Such employers demand health plans that cover all, or most of the costs of wellness and preventive care. These employers know that paying only to care for illness gets them exactly that—more illness. Healthy employees, on the other hand, are on the job more regularly due to fewer sick days, are more productive, and stay with their employers longer, translating to less costly employee turnover. These soft savings contribute to a business's bottom line as well as to company morale and corporate reputation.

In 1984, global analytics software company SAS Institute in Cary, North Carolina began offering free onsite health care to employees and their families covered by the company's self-funded medical plan. Since 1996, the onsite health care center (HCC) has provided comprehensive primary care for all ages, from newborns to elders. The success of our model extends beyond the anticipated savings (over 75% of 5700 Cary HQ employees and 50% of 8000+ dependents use the HCC for their primary care, saving SAS \$3.4 million in avoided medical claims costs, after direct operational costs were accounted for in 2016). Access to same-day appointments at the HCC (where all staff are also SAS employees), including full lab and pharmacy services, means that the average employee visit takes only about 30 minutes away from work responsibilities. Because of quick access to care and efficient care delivery, 51,000+ employee work hours, valued at more than \$4.3 million, were saved in 2016. High employee and family utilization resulted in over 42,000 HCC visits in 2016, an average of 168 patient visits per day.

But why spend this money providing onsite care at all? Why not instead double down on a tightly managed and closed-network medical plan, use a limited formulary, and require strict prior authorizations for services and drugs? For SAS, creating a culture of care and caring was not a single decision, but a series of thoughtful and intentional cultural and business decisions spanning more than 3 decades. As a result of doing what felt right—providing free health care on our Cary campus—SAS has created a loyal employee base with low turnover, solidified its reputation as an employer of choice, strengthened its bottom line, and saved millions of dollars, every year.

How do we know? We track. And we study.

We annually track claims cost equivalency for HCC services, deduct total direct expenses for HCC operations, then add the value of employee time saved by staying on campus for care. In 2016 SAS saved \$7.8 million, a return on investment of \$2.08 in medical plan savings for every \$1 spent to operate the onsite HCC. Similar savings have been noted each year for the 20 years we have offered HCC primary care.

Since 2010 SAS has partnered with Duke University for a 3-phase multiyear study. For the first 2 phases, employees and dependents were separated into 3 buckets: HCC primary care users, HCC casual users (who used the HCC for services other than primary care), and HCC non-users. We looked at anonymized medical plan claims for 3,759 SAS employees and 6,502 dependents from 2006-2008. Using powerful SAS data management and analytics, we analyzed the study data. The results validated our core belief that the HCC is not only making a difference in the health of employees and families, but also in the company's financial health. Eager to share the evidence that onsite health care is a good investment for employers, we submitted 2 articles to scholarly, peer-reviewed journals; the articles were published in July and December 2015, respectively.

Our Phase I research found that HCC primary care patients used fewer outside health care services, had lower claims costs overall (especially for preventive care), and had lower pharmaceutical costs. Our Phase II research found that getting primary care at our HCC reduced the need for expensive emergency department visits and hospitalizations during the study period.

Our tracking and studying results are powerful testaments that onsite primary health care delivery is not an altruistic perk that diverts funds from research and development, employee compensation, or capital improvements. It is a business model that gives SAS a competitive edge and results in healthier employees. We love getting what we pay for. NCMJ

Gale Adcock, MSN, FNP chief health officer, SAS Institute, Cary, North Carolina; representative, Democrat—District 41, Wake County, North Carolina.

Acknowledgments

Potential conflicts of interest. G.A. has no relevant conflicts of interest.

Electronically published July 12, 2017.

Address correspondence to Gale Adcock, SAS Institute Inc, SAS Campus Drive, Cary, NC 27513 (gale.adcock@sas.com).

N C Med J. 2017;78(4):274. ©2017 by the North Carolina Institute of Medicine and The Duke Endowment. All rights reserved. 0029-2559/2017/78416