

Memorandum
Human Resources Department

To: Thomas Thomas, City Manager
Subject: On-Site Medical Provider Services
Date: 02/11/16

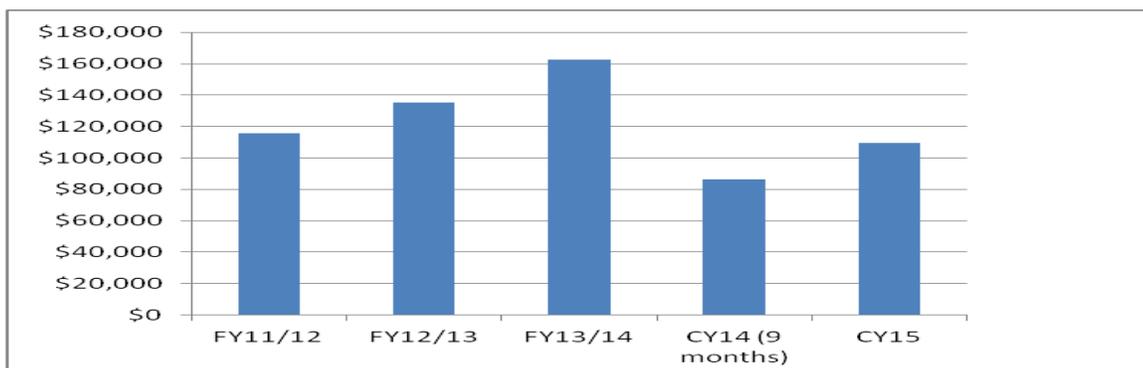


The On-Site Nursing Program (OSNP) began April 2009 as a pilot program. Concentra has been the on-site medical provider during this time.

The OSNP provides the following medical services to the City of Rock Island and its employees:

1. Diagnosis, evaluate, treat, and manage acute illness, disease or injury, personal or work comp;
2. Obtain medical histories;
3. Prescribe drugs/medications for acute illness, disease or injury;
4. Order, interpret, or perform diagnostic tests such as routine lab, x-rays, EKGs, etc;
5. Conduct the City's post job offer physicals;
6. Conduct the City's annual fire fighter physicals;
7. Conduct physical examinations such as school physicals, sports, camps, etc;
8. Prescribe physical therapy and other rehabilitation treatments;
9. Collect urine drug screens for post job offer, post accident, reasonable suspicion or random program;
10. Provide breath alcohol testing for reasonable suspicion or random program;
11. Conducts and evaluates exposures i.e. BBP;
12. Return-to-work evaluations for work and non-work related matters;
13. Manages and performs immunizations i.e. Hep B, flu;
14. Perform the biometric screens, know your numbers, etc. and assists in the development of action plans for employees to receive benefit discounts on their health care contribution;
15. Counseling and educating patients on health behaviors, self-care skills, and treatment options;
16. Referrals for physician, diagnostics or treatment; and
17. Maintains confidentiality of employee health information and health records

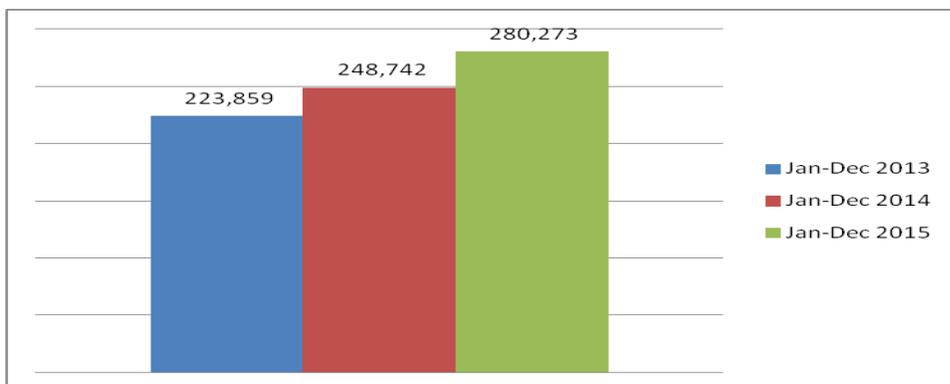
OSNP costs are tracked through Medgate software for every clinic visit. The OSNP has demonstrated a positive return-on-investment (ROI) for the City.



On average, the City has received a \$121,979 ROI per year due to employees utilizing the clinic versus sending them to the market for medical treatment. In addition, the organization receives “soft cost” savings such as less employee time away from work attending medical appointments, reduced absenteeism, earlier treatment of illness and injuries, improved management of chronic conditions, less emergency room visits and mitigation of large medical claims involving hospitalization. Clinic utilization not only improves employee productivity but improves overall personal health and well being. The OSNP further assists the organization in its recruitment efforts by attracting qualified candidates. The OSNP has been cost effective and employees have embraced the service.

There are problems currently facing the OSNP. Rock Island County has elected to end their partnership with the City effective March 31, 2016. The County has been a partner with the City since April 2011 and pays forty percent (40%) of all labor charges and items necessary to support the operation of the clinic, including but not limited to medical supplies, office supplies, medical equipment, medications, vaccinations, laboratory testing and equipment maintenance to the City.

A second problem is Concentra’s continuing rising costs. Over the past three years, Concentra’s costs have risen from \$223,859 to \$280,273 a year. On average, costs have been increasing about 12 percent a year.



For these reasons, Human Resources (HR) conducted a request-for-qualification (RFQ) for On-Site Medical Provider Services. The RFQ was released on 12/29/15. The deadline for proposals was 1/22/16. HR received RFQ’s from Concentra, ImWell, THMed, Unity Point, Genesis and MedExpress.

The selection committee reviewed the original proposals and elected to interview MedExpress, Unity Point and Genesis for this service (see attachment).

The selection committee concluded Genesis would best meet the City’s needs based on staffing (including backfilling), their cost proposal, clinical and operational infrastructures, and the key personnel would be based in the Quad City area (Davenport). Genesis offers additional medical services that make them a one-stop-shop for workplace health services. This included services like after hour random drug screens, random drug screens, health promotion and wellness programs, employee assistance programs, physical and occupational therapy and medical review officer services.

Recommendation: City Council approves a three-year contract with Genesis. The contract period will be from March 1, 2016 and conclude December 31, 2018. Upon termination of the contract, the parties shall have the option to renew the contract for two additional year one-year periods beginning January 1, 2019. Secondly, City Council permits Human Resources the ability to negotiate final contract terms with Genesis and allow the City Manager to sign the business contract with Genesis.

Account: 621-157133-53602-0520000 (15%)
Fund: Self Insurance
Division: Insurance Premium
Cost Center: Self Insurance Premium
Object Class: Consultant Services

Account: 626-157141-53112-0520000 (85%)
Fund: Health Insurance
Division: Insurance Premium
Cost Center: Health Insurance Premium
Object Class: Consultant Services

Submitted by: John Thorson, Human Resources Director
Patrick Doherty, Risk Manager

Approved by: Thomas Thomas, City Manager

MED EXPRESS

	2016 (10 Months)	2017	2018	Total
Annual Provider Fee (Personnel staffing and services)	\$151,500	\$208,500	\$214,755	\$574,755
Additional Charges Anticipated				
Implementation	\$3,000	\$0	\$0	\$3,000
EMR (\$1,500 per month)	\$18,000	\$18,000	\$18,000	\$54,000
Software Licensing Fee/Install	\$3,500	\$0	\$0	\$3,500
Licensure	\$2,000	\$0	\$2,000	\$4,000
Medical Supplies	\$3,400	\$0	\$0	\$3,400
Total	\$181,400	\$226,500	\$234,755	\$642,655

GENESIS

	2016 (10 Months)	2017	2018	Total
Annual Provider Fee (Personnel staffing and services)	\$162,240	\$220,646	\$225,059	\$607,945
Additional Charges Anticipated				
Computers/Printer	\$3,600	\$0	\$0	\$3,600
SYSTOC Licenses	\$2,775	\$3,700	\$3,700	\$10,175
CME	\$2,250	\$3,000	\$3,000	\$8,250
Medical Director Fee	\$6,075	\$8,100	\$8,100	\$22,275
Total	\$176,940	\$235,446	\$239,859	\$652,245

UNITY POINT

	2016 (10 Months)	2017	2018	Total
Annual Provider Fee (1) (Personnel staffing and services)	\$205,398	\$253,872	\$261,489	\$720,759
Additional Charges Anticipated				
On-Site Occ. Med. Physician (optional) (2)	\$11,120	\$13,744	\$14,156	\$39,020
Management Fee	\$16,667	\$20,600	\$21,218	\$58,485
Software Licensing Fee/Install	\$31,600	\$0	\$0	\$31,600
Annual Maintenance Fee - software	\$4,167	\$5,150	\$5,305	\$14,622
Supplies	\$4,167	\$5,150	\$5,305	\$14,622
Total	\$273,119	\$298,516	\$307,473	\$879,108

Notes:

- 1) Annual Provider Fee excludes overtime
- 2) Estimated at 4 hours a month (\$231.67 / hour)