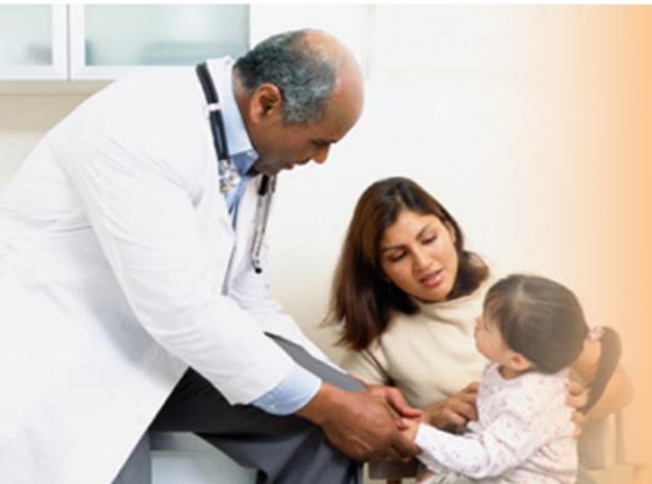




On-site Clinic & Personalized Healthcare Discussion

# Minnesota Association of School Administrators



**October 3, 2011**

## Misaligned Incentives

*Health care costs  
have been  
doubling every  
nine years*

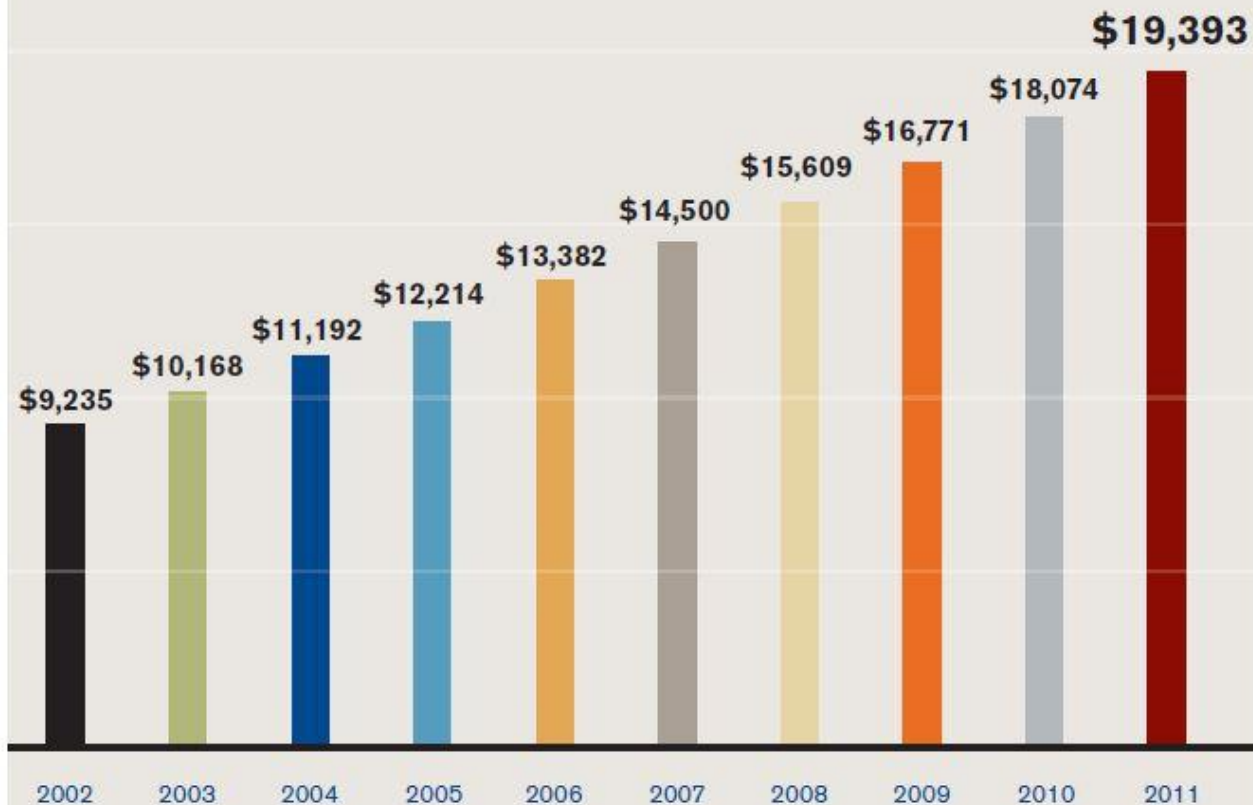
*You can always do  
nothing and accept  
this trend*

**Or**

*Focus on making  
your employees  
healthy*

### 2011 Milliman Medical Index

Healthcare costs for American families double in less than nine years



# Your Objectives



Costs to go down

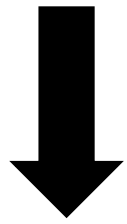


Health and Productivity



Employee Satisfaction

## NeoPath's ability to meet your objectives



Brooklyn Center Experience (more later)



Health



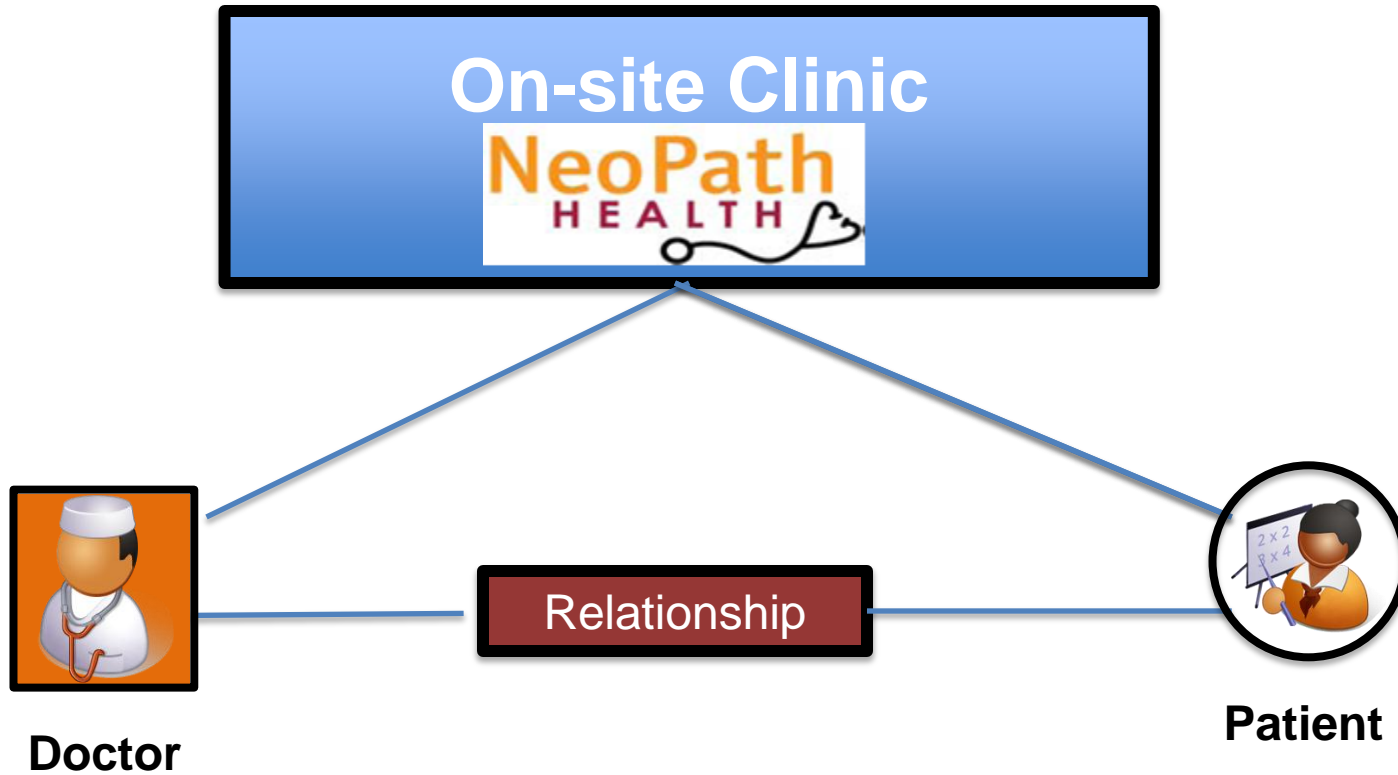
Employee Satisfaction by expanding  
relationship with the physician

## Who is NeoPath?

- **Founded in 2008**
- **Inspiration/Motivation is to Identify and Decrease Catastrophic Claims**
- **Independent Fixed Fee Provider**
- **Utilize technology to enhance healthcare delivery, deliver care at the right place and the right time**



# Our Model: Keep it simple



## Our Model – how it works

- **Fixed rate, supplies and Rx pass through**
- **Current plan remains intact- our team works in conjunction with current primary care doctors**
- **Enhances wellness/existing programs**
- **Leverages plan assets**
- **Complementary to the health plan, however, no claims filed**
- **NeoPath covers malpractice risk**

# Secure Communication Platform

hellohealth
ACCOUNT   MEMBERSHIPS   HELP   LOG OUT

Me
 

HEALTH RECORD

APPOINTMENTS

CARE TEAM

MESSAGES

TEAM   PHARMACY   FIND A PROVIDER

[? Click here for help](#)

Provider	Specialty	Practice location	Membership plans
<p><b>HEIDI GUNN, Brooklyn Center MD</b></p>	Family medicine specialist	Brooklyn Center High School 6500 Humboldt Ave N Brooklyn Center, MN 55430	Basic Plan
		Earle Brown Elementary School 1500 59th Ave N Minneapolis, MN 55430	

Home

Appointments

Care Team

Memberships

Messages

Health Record

Account

Help

## Why NeoPath Is Unique = Aligned incentives

Convenient

Remote Access

No Co-Pay

No Deductible

Free Rx for Patients

Proactive Consumer

Medication

Management

Chronic Condition

Management

Save employees out  
of pocket expenses

## Innovation

### **Waive Insurance HC Claims**

- **Office Visits**
- **Supplies**
- **Pharmaceutical**
- **Hospital**
- **Chronic Disease  
Management**

## Reduce Trend



# Patience Experience and Plan Effect

- **Cheri - converted brand name Rx to generic, saved \$1,000**
- **Audrey – found skin cancer early, avoided Moh’s surgery at a estimated coat of \$10,000**
- **Gary – smoke free for 6 months using health coaching and weekly high-fives with Neopath staff.**
- **Tim – avoid Worker’s Comp claim –estimated savings of \$635**
- **Tamora – Intensive diabetes care with physician and health coach. Met her goals of weight loss and blood sugar control in six months.**
- **Liz – Deferred care due to high deductible. Found diabetes, working with diabetes educator, health coach and physician to manage diabetes.**
- **Audrey – hospitalized yearly for skin and bone infections. Sees NeoPath physician weekly. Avoided hospitalization and specialist care for past 18 months.**

# **Farmington Schools On-site Clinic**

Farmington High School – July 2011





Staff Work Area/Pre Exam Area

## Early Indicators from Farmington

- June                    140 Office Visits        (57 Rx)
- July                    97 Office Visits        (105 Rx)
- August                76 Office Visits        (83 Rx)
  
- First two months represent 26% employee utilization of clinic services

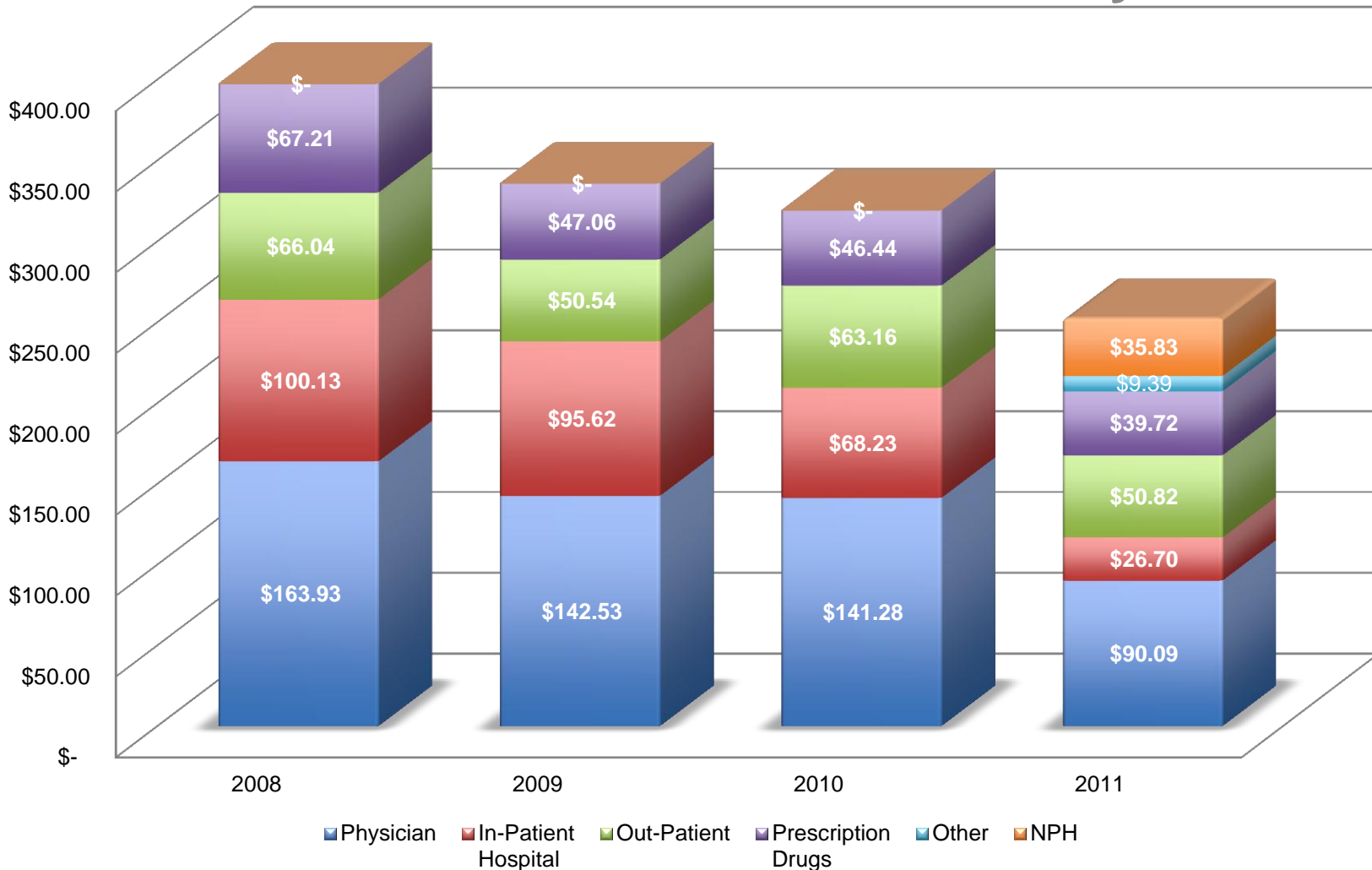
# Remodel at Brooklyn Center High School



# Earle Brown Elementary



# Where the rubber meets the road: Brooklyn Center



## Funding:

- **Redirection of current and future medical spend**
- **Improved productivity**
- **Self insured see the financial benefit immediately**
- **Fully insured see savings at renewal**
- **Clinic should pay for itself in two years, if not sooner**

## Health Savings Accounts???

- Notice 2008-59, the IRS concluded that an individual with access to free health care or health care at charges below fair market value from an onsite clinic can be an eligible individual only if the clinic “does not provide significant benefits in the nature of medical care (in addition to disregarded coverage or preventive care).”
- Examples – Manufacturing Company vs. Hospital
- Bottom Line – contact your Tax Advisor & Counsel

## Future of On-site Clinic

- **On-site Clinic Market – projected to grow from 2000 clinics to 7000 by 2015\***
- **By 2015 10% of the US population will be served by the on-site clinic market.\***
- **Multiple Employers are beginning to band together and share the on-site clinic**

**\*Fuld & Company 2009**

# Thank you.

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