



CASE STUDY

RHS Employer-Sponsored Primary and Preventative Healthcare Clinics

- A Superior Healthcare Model -

In recent years, employers across the state of Kansas have been subject to unsustainable inflation of healthcare insurance premiums. Aging insured populations, reduction of access to primary care (due to an aging primary care doctors’ population entering retirement age), underspending in preventative care, and consequent increase of common chronic diseases have all played a role.

Revere Healthcare Solutions Inc. (“RHS”) manages two employer-sponsored primary and preventative healthcare clinics: Grow Well in Garden City, KS and Care To Thrive in Dodge City, KS. The clinics are staffed with an interdisciplinary team of family nurse practitioners, registered dietitians, and mental health counselors delivering care with a “one-hybrid-floor” integrated model, using both in-person visits and tele-visits. The range of services delivered is very broad, including primary care, wellness, urgent care, labs, injections (vaccinations and allergy shots), physicals, mental health counseling, diet and weight management, workers compensation, and employment screening.

In 2023, the two clinics have delivered c. 12,900 visits (vs. c. 4,000 in 2018, with a 26% average growth rate per year over the period).

	CAGR %		
# visits	2018	2023	2018-23
Primary Care	3,993	10,649	+22%
Mental Health	-	2,265	n/m
Total	3,993	12,914	+26%

The RHS model is, from an administrative perspective, very simple: in calendar 2023, the company issued less than 200 invoices for services which, in the fee-for-service market would have translated into approximately 40,000 CPT codes.

The *obliteration* of administrative costs burdening the fee-for-service primary care clinics, the decentralized organizational structure, and providers’ part ownership of the company

generate a virtuous loop whereby administrative cost savings can be reflected in *both* higher quality of the care delivered and lower prices.

With negligible administrative responsibilities, providers are free to spend as much time as needed with patients (clinical slots are by design 30 minutes and 60 minutes long for respectively primary care and mental health counseling and are *entirely* spent with the provider). The re-investment of administrative cost savings into additional installed providers’ capacity translates into high service and satisfaction levels: 94% of visits delivered on time, 99% of visits delivered within 24 hours from first contact (with the vast majority on the same day), patient satisfaction (measured by after visit patient surveys) of 4.8/5.0.

Across the state of Kansas, especially outside of the largest metro areas of Kansas City, Topeka, and Wichita, access to both primary and preventative healthcare is either inconvenient, too expensive, or in severe shortage. This translates into underutilization of primary care by large populations which, eventually, run a higher risk of late detection and late treatment of health risk factors which, *only* if properly managed, would reduce the long-term cost of healthcare coverage.

RHS clinics fill that void and do so at a much lower price than the fee-for-service market. In fact, in 2023 RHS delivered the entire volume of its visits at an average price per visit estimated to be only 14% higher than comparable Medicare reimbursements. It is well known that typical fee-for-service reimbursement levels are set at a c. 60% premium over Medicare.

\$/visit	2018	2023	CAGR % 2018-23
RHS (A)	\$141.34	\$141.62	0%
Medicare (B)	\$103.44	\$124.48	+3.8%
Estimated Fee-For Service (C)=(B)/60%	\$172.40	\$207.47	+3.8%
Est. Savings Per Visit (C) - (A)	\$31.06	\$65.84	+16.2%
Est. ROI x (visits only)	1.2x	1.5x	

The table above highlights several of the distinctive advantages of RHS clinics and their consequent ability to deliver significant savings to employers determined to redirect their healthcare budgets towards primary and preventative healthcare. Of notice,



in spite of the significant company’s growth achieved in the 2018-23 5 years period, with double digit healthcare labor cost inflation, RHS was able to deliver each visit in 2023 at the same price as in 2018, with no inflation whatsoever. Such an achievement was made possible by i) an overhead-light organizational model and ii) economies of scale *shared* with contracting employers.

The estimated implied savings delivered in 2023 amounted to \$285 per enrolled member across all employers, with an estimated ROI x (from visits *only*) of 1.5x (1.2x in 2018).

In addition, contracting employers and their employees would have had access to the installed excess and unused capacity at the clinics: in other words, the “all-in” ROIx should also include the (admittedly) difficult-to-estimate value of the unexercised option for the incremental same day or next day access to care.

However difficult to estimate, it is RHS’ belief that, especially in communities with severe shortage of access to primary care and mental counseling, such an additional value is invaluable and can be offered *only* by RHS superior organizational and delivery model.

The combination of patient satisfaction, highest levels of quality and convenience, savings, and investment in employees’ wellbeing make RHS clinics, in our opinion, the best possible benefit for any employer in Kansas.