



## CASE STUDY

### The Year 1 Benefits of RHS Employer-Sponsored, Direct Primary Care Clinic in Dodge City, KS

RHS manages the “Care To Thrive” clinic in Dodge City, KS and the “Grow Well” clinic in Garden City, KS. Both clinics deliver employer-sponsored, direct primary and preventive healthcare, including urgent care, wellness, workers’ compensation, and occupational healthcare through a team of nurse practitioners and a registered dietitian. The contractual arrangement between the employer and RHS is simple: the employer pays RHS a flat monthly fee in exchange for the employer’s employees and family members on the healthcare plan having free, unlimited access to the RHS-managed clinic.

#### The Care To Thrive Case Study:

In 2018, the County of Ford County, KS partnered with RHS to offer, to the employees and family members on the County’s healthcare plan (approximately 400 total insureds), access to a comprehensive, employer-sponsored preventive healthcare program delivered at a near-site, RHS managed clinic. The project was approved in September and, in order to catch the benefits derived from addressing the visits’ volumes during the flu season, RHS was able to open the clinic in a temporary location, at the County’s Health Department, on October 1<sup>st</sup>, 2018.

In order to balance costs and benefits, the clinic was initially designed as a two-day/week clinic, staffed with a nurse practitioner and a clinic manager. Demand for primary care and preventive healthcare started almost immediately, with visits averaging seventy per month.

*“While RHS proprietary data show that an expanded clinic’s schedule (five day/week) tends to produce marginal benefits in excess of its marginal costs (in other words the cost of adding one/two days to an initial two-day/week schedule is always lower than the benefits), we also understand that employers want to test RHS program, at least initially, and verify results before expanding the investment with RHS”* says Carmine Di Palo, RHS Founder, Chairman, and CEO

After careful evaluation of several possible permanent locations, the County and RHS agreed on the renovation of a space located at 705 1<sup>st</sup> Avenue (Suite C). Renovation started in mid-June and was completed early in August. Care To Thrive moved to its permanent location in mid-August 2019.

RHS designed the space to incorporate the lessons learned in the course of the prior four years managing the Grow Well clinic in

Garden City, KS and running a one-year pilot clinic at the South-Central Kansas Medical Center, in Arkansas City, KS.

*“The focus of the renovation was on delivering a comfortable and welcoming “un”-clinic: a place where the County’s employees and their family members are welcome whether they want to take better care of themselves, through RHS’s wellness program (integrating nutritional counseling and basic fitness) or they wanted to be treated for an illness.”* continues Di Palo.



In the first twelve months of operations (ending September 30<sup>th</sup>, 2019), approximately 60% of the eligible population visited the clinic at least once. Importantly, one third of the patients represented two thirds of the visits.

This statistic is closely monitored by RHS’ analytics team: because it is usual, for employers, to see a very large portion of the healthcare costs associated to only a minority of the insured population, addressing, efficiently that minority is one of the most powerful engines to eventually deliver “Better Healthcare to Employees, at a lower All-In Price for the Employer”.

Specifically in smaller communities, the combination of limited access and of the negative incentives of co-pays and deductibles determines for the high health risk segment of the insured population both late detection and under-treatment of common chronic diseases (conditions which require frequent check-ups in order to educate the patient towards what ultimately is a self-management of the disease).

Through its simple, direct delivery model, RHS is capable of stripping out administrative costs from primary and preventive healthcare, making this most efficient and effective, yet underutilized, form of healthcare accessible, convenient, and free for the contracting employer’s employees.

The benefits reaped by an employer from a healthier insured population with free, secured, and unlimited access to RHS primary and preventive healthcare are both very significant and, as proven by the first year of the Care To Thrive clinic, immediate.



In fact, in the course of the first eleven months, Ford County’s medical claims (as incurred and paid by the insurance carrier for services delivered by other providers outside of Care To Thrive) have dropped 13% vs. the same period of the prior year.

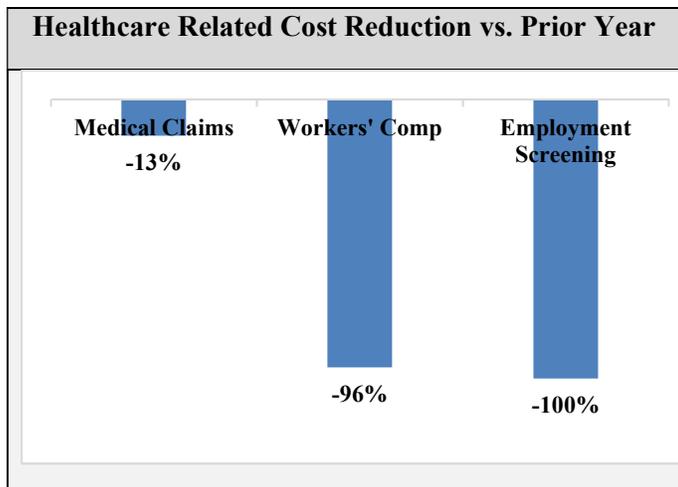
RHS integrates also workers’ compensation related care and employment / pre-employment screening. For the employer, having secured and timely access to such services brings both costs’ benefits and enhanced compliance and productivity.

For Ford County, KS workers’ compensation related care and employment screenings represented 15% of the overall visits delivered in the first twelve months.

Since the start of the clinic, Ford County has experienced a 96% reduction of costs associated to claims for workers’ compensation related care. Employment and pre-employment screenings, now performed at the clinic, have allowed timely hiring schedules and a systematic approaching to an important part of the HR department duties.

*environment, and investing in compliance. I believe that the RHS near-site clinic-based program, achieves optimal outcomes along all such avenues. In Dodge City, KS the choice of the name of the clinic is not coincidental. In close partnership with the County’s HR department we focused on a name that could convey a message that goes beyond treating illnesses a message that makes the clinic the cornerstone and the pivot to a thriving employee base, a thriving employer, and ultimately, as RHS expands the services to other employers, a thriving Dodge City, KS. In this respect, because wellness is the portion of the program addressing patients when they are not sick, it has a “lighter”, happier component and frequently is an engine supporting an employer’s wider effort to establish a culture of wellness in the workplace” says Di Palo.*

After each visit at RHS’s clinics, patients are invited to fill out an online survey focused on their satisfaction of the services received. As shown below, the County’s employees have enjoyed the clinic available to them.



Please leave any comment on your visit at	
§	Open more! (10/3)
§	I am very pleased with the service (10/3)
§	Good job (10/3)
§	Love to see more open days to be able to get in different days! (10/1)
§	I appreciated all you do (10/1)
§	Be open more days (10/1)
§	Both Naomi and Ms. Zink were very kind and pleasant (9/17)
§	You guys are awesome! (9/5)

In Year 1, the estimated gross savings achieved by the County are estimated at 1.25x of the all-in cost of the RHS program. In other words, the County has achieved a net saving of 0.25x the cost of the RHS program and, at the same time, has provided free, unlimited access to primary and preventive healthcare to its employees, while improving the timeliness and compliance of its workers’ compensation and employment screening processes. Through RHS’ funding of the start-up of the clinic, Ford County, KS has started saving on its “all-in” healthcare costs since day 1.

**In other words, “Better Healthcare at a Lower All-In Cost”. Immediately.**

*“Employers are rightfully balancing budgets, quality of benefits in a tight labor market, maintaining a thriving work*

*“In the last several years, healthcare has invested an increasing share of money into technology. While we do believe that technology can improve, in certain instances, the quality and affordability of healthcare, RHS focuses on the trust between the patient and the provider as the main engine for both behavioral change and early detection. Our priority is to attract and retain the best nurse practitioners and the best clinic managers: consistently refining our recruiting process and rewarding them both financially and professionally with a work environment that they have not experienced elsewhere in the healthcare sector. It is RHS’s belief that happy and fulfilled providers deliver the best quality of care. Which ultimately, is the only daily objective of our organization.” Explains Di Palo.*



Given the outstanding results achieved in the course of the first year, and the significant increase in visits experienced since the clinic has moved to its permanent location, the County has approved an increase of the annual investment in the RHS program to add one more day to the clinic's schedule.

*"There is no greater rewards for our team and our company than having the confirmation that our efforts have made a difference for both individuals and their employers"* concludes Di Palo.