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## OUTLINE OF A PROGRAMMATIC REVIEW OF AN ON-SITE PROGRAM

The assumptions under which an employer sponsored on-site health care delivery system<sup>1</sup> is developed generally are that the organization will provide superlative services to the clients and that the on-site program can operate with some level of efficiency and, eventually, justify its own existence as an alternative or an adjunct to traditional benefits programming. However, actual experience has been that many programs, for a variety of reasons, do not fulfill these expectations. The services provided are not competitive with other alternatives, the customers are not happy, and the on-site program never achieves any stability as truly an innovation or a force for cost control.

These things do not fix themselves. Their performance must be reviewed, and the structure and governance process which led to the creation of the problems must be corrected. The following outline suggests one approach to evaluating an on-site program operation. The basic set of assumptions that must underly this review is access to the overall program process measures, an understanding of the recent past performance, access to claims and costs, and access to the contracts under which the on-site program has been structured.

Before the analysis begins?

- 1) Is there access to the contracts?
- 2) Was an original RFP done to select the vendor?
- 3) Are there performance reports and process measures?
- 4) Will the project consultants have access to claims?

One assumes that the review is intended to suggest a method for changing the present structure and systems to assure compliance with the original objectives under which the program was formed.

- 1) **Review original business plans, projections, goals, objectives**, etc., to determine the overall structure of the on-site program and the intent of its founders. Where such goals or plans are internally inconsistent, identify whatever might have been an unreasonable or overly optimistic projection.
- 2) **Review present operational structure** against industry standards and marketplace alternatives to define the optimum level of performance which might be achieved under the present mix of clients and services.
- 3) **Review the contractual relationships** between equity participants and the on-site program and that which exists between the on-site program (as an entity) and the client base. Define with clarity the legal responsibilities of all parties and compare that legal orientation to practical and political realities which exist between the client and the equity holders (stakeholders) of the on-site program.

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<sup>1</sup> On-site is a term that can encompass many forms. This monograph is intended to address any employer sponsored set of services that have come to be associated as "on-site," whether they are shared clinics, near-site clinics, co-op clinics, wellness programs, etc.

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- 4) **Assess the on-site program service profile**, as it exists and as it has been proposed, and analyze each service relative to the efficiency of that service and its competitive profile in the present marketplace.
- 5) **Review the communications** which have been shared with clients to ascertain the level of expectations that might be reasonably held relating to on-site program services.
- 6) **Develop an interview process** which can determine the attitudes of existing on-site program clients while ascertaining their need for additional services and informing them of the on-site program reorganization process.
- 7) **Assess each client relationship** on a contract-by-contract basis and develop a customer ranking based on ROI (or potential service improvement). Include some commentary on the likelihood of client conversion or improvement.
- 8) **Compile material and produce a summary report** from the financial and program audit, the customer interviews, the service comparative analysis, and any historical or functional information into a present status report on the on-site program which concentrates upon the feasibility of turning the organization around.

This report will address the following points:

- a) Was the on-site program founded upon sound principles?
- b) Do the present on-site program services compete successfully in the local marketplace for services the employers could simply buy from a competitor or provide for themselves?
- c) Is the on-site program structured to be able to make decisions effectively and once made, implement them?
- d) Can the on-site program expect to maintain its contracts and client base beyond the present relationships?
- e) Are there structural opportunities for the on-site program to reorganize its equity and/or its governance to be able to improve the relationship with its clients by including them at various levels of the on-site program process?
- f) What goals or objectives of the on-site program are internally competitive or inconsistent? How can these be resolved?
- g) What additional investment must be dedicated to the on-site program to achieve the results that are needed?
- h) What resources exist which must be reorganized to achieve program and system goals?

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- i) Who should do what to assure program success?
- j) What is a reasonable timeline for a turnaround?

A report is not implementation. Depending upon the client orientation, the staff working on the on-site program evaluation can begin to develop the mechanisms for change and implement some of the more obvious requirements for altering the course of the business. This would require a commitment to work at the board (or owner) level with regular planning and operational sessions.

The consultants would not work from a final report but would identify issues which would be incorporated into the agendas of the task force meetings. Decisions should be made by the group, and the consulting team would implement those decisions during the project. The final report takes the form of an interim project summary detailing assigned tasks, progress, and future staff assignments.

In summary, this project is intended to produce measurable results, not simply a written report.