



**Penn Medicine**  
**HealthWorks**



Pequea Valley School District  
*Where Each Learner Counts*

# PVSD Penn Medicine HealthWorks

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# Self-funding Health Insurance

- PVSD has been self-funded for 30 years
- Benefits of Self-funding:
  - Controls fixed costs
  - Limits premium increases on one-time catastrophic claims
  - Programs that promote wellness directly impact employee costs
  - Employer customizes plan design which reduces costs
  - Stabilizes the impact on the budget

# Self-funding Health Insurance

- PVSD has been a member of the Employee Health Care Cooperative (EHCC) since 1995
- EHCC brings schools together to maximize buying power and leverage discounts
- EHCC has over 8,000 lives
- EHCC pools funds to pay out claims between \$80,000 - \$450,000
- EHCC purchases Specific Stop-Loss at the \$450,000 level
- EHCC purchases Aggregate Stop-Loss at each district's aggregate corridor level of 125% of expected claims
- PVSD Aggregate Corridor for 2024-25 is \$3,604,776

# Self-funding Health Insurance

- Each member is placed at a specific pool level depending on size:
  - \$80,000
  - \$100,000
  - \$125,000
  - \$150,000
  - \$200,000
  - \$225,000
  - \$250,000
- The lower the pool level, the higher the costs to the pool

# Self-funding Health Insurance

- PVSD is at the \$100,000 Pool Level
- Any claim that is from \$1 to \$100,000 the district pays
- If the claim breaches \$100,000 the district is reimbursed from the pool or reinsurance
- A claim that exceeds \$100,000 up to \$450,000 is reimbursed from the pool in the amount over \$100,000
- A claim that exceeds \$450,000 is reimbursed from Specific Stop-Loss Insurance in the amount over \$450,000
- The maximum amount PVSD would pay on any single claim is \$100,000
- Should PVSD total claims for the year exceed 125% of the expected amount of claims (\$3,604,776) - Aggregate Stop-Loss would cover all claims above that amount
  - No district in the EHCC has ever breached their Aggregate Corridor

# Self-funding Health Insurance

- Controls Fixed Costs
  - Highmark TPA Fee = **\$-41.00** PEPM (net Rx Rebate)
  - Specific Stop-Loss (\$450,000) = \$49.97 PEPM
  - Aggregate Stop-Loss = \$4.80 PEPM
  - Pool Premium (\$100,000) = 155.41 PEPM
  - Benecon Admin Fee = \$0.75 PEPM
  - Broker Admin Fee = \$3.35 PEPM
- Wellness programs that directly impact district costs:
  - Braves on the Move
  - Price MD
  - Assured Excellence
  - Direct Provider Contracting
    - OSSHealth
    - Green Imaging
  - Onsite/Near site wellness & concierge programs (Penn Medicine HealthWorks)

# Employer Practice Model Overview

# Why Penn Medicine HealthWorks?

- Network of Primary Care Practices
- Membership based/Employer Sponsored

## HOW IS HEALTHWORKS DIFFERENT?

- Limited panel size
- Extended, patient-centered visits
- Same/day next day appointments
- HIPAA compliant texting app with your healthcare team
- Phone calls directly to practice
- Complete service onsite (exams, testing, medications, care coordination)
- Healthcare team know employer's benefit plan
- EPIC medical record – used by most healthcare systems
- After-hours call coverage by HealthWorks' providers

### PPO

- \$70 PMPM Adults
- \$39 PMPM Children

### Employer Sponsored HSA

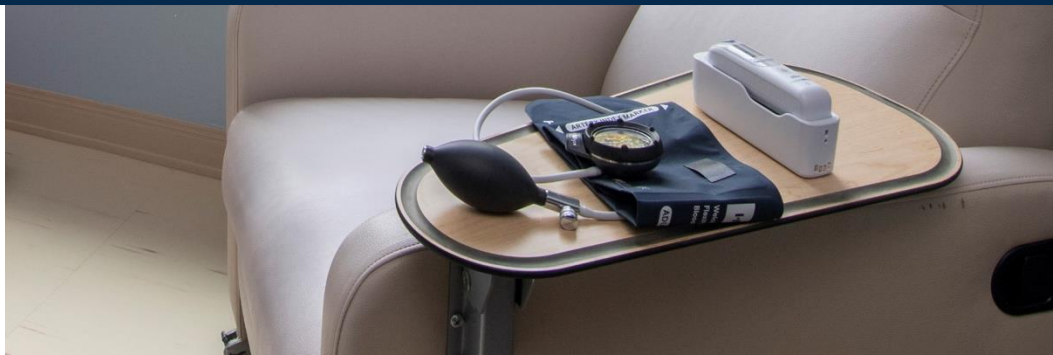
- \$59 PMPM Adults
- \$34 PMPM Children
- *In-Office Acute Visit: \$49 HSA Fee*

Counseling is an additional \$15 PMPM for Adults



### Additional Services

- Pre-employment testing and physicals
- Counseling services
- Home delivery of any medication





# HealthWorks by the Numbers

DATA AS OF JANUARY 2025

60+

Employers

15

Industries

12

Locations

11,700+

Members

Three-four additional locations will open over the next 15 months

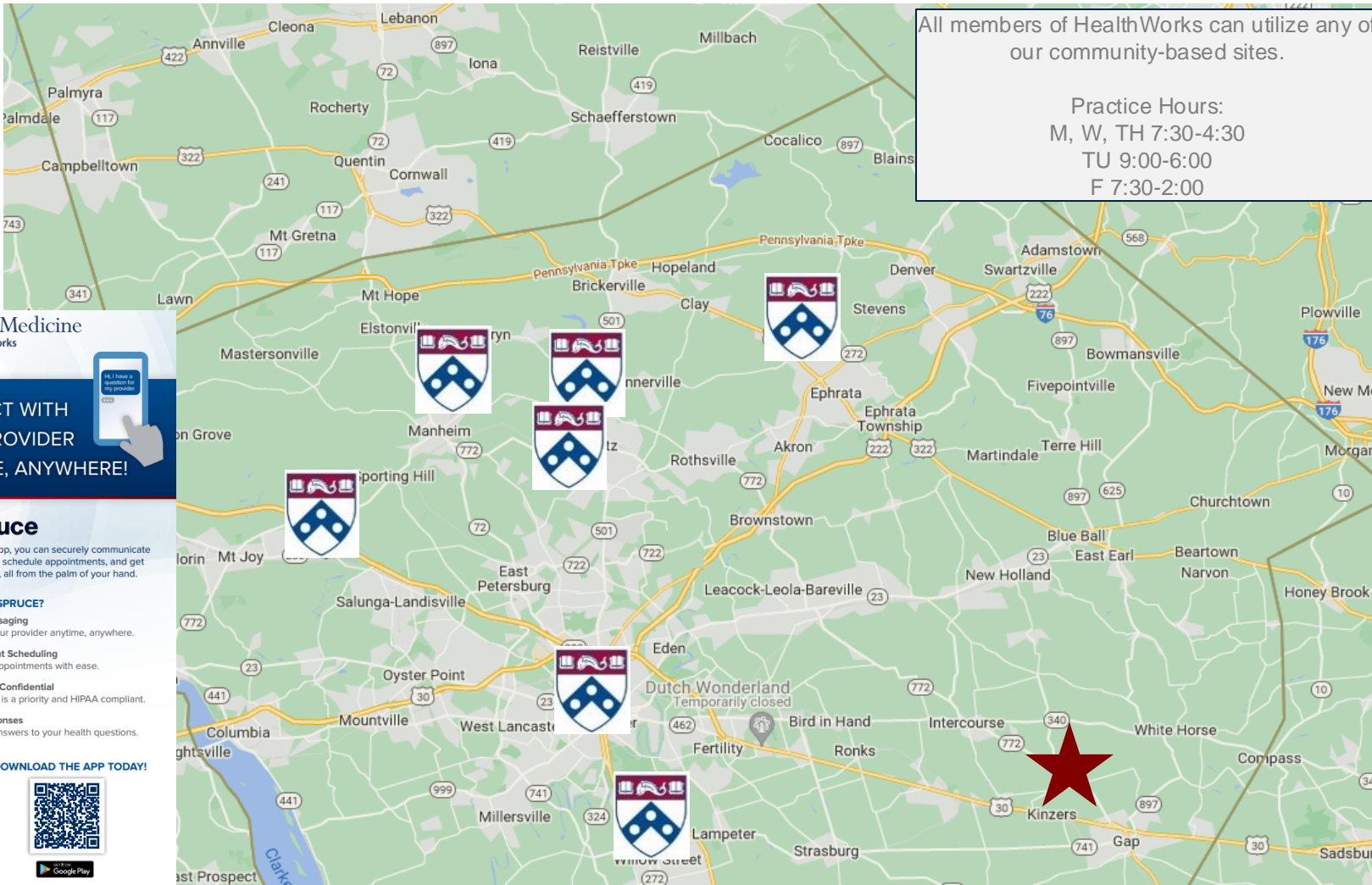


# Penn Medicine HealthWorks Practice Network

Members may use any of our seven community practices, in addition to PVSD's onsite location

All members of HealthWorks can utilize any of our community-based sites.

Practice Hours:  
 M, W, TH 7:30-4:30  
 TU 9:00-6:00  
 F 7:30-2:00



Locations
<p><b>Pequea Valley SD</b>                      166 S. New Holland Rd, Kinzers,, PA                      Phone TBD</p>
<p><b>Ephrata</b>                      434 Springville Road, Ephrata, PA                      717-544-8060</p>
<p><b>Lancaster</b>                      100 N. Queen Street, Suite 200, Lancaster PA                      717-544-7500</p>
<p><b>Lititz</b>                      300 W. Lemon Street, Lititz PA                      717-544-8696</p>
<p><b>Manheim</b>                      2028 Town Square, Manheim, PA                      717-544-8075</p>
<p><b>Mount Joy</b>                      1475 Strickler Road, Mount Joy, PA                      717-544-8690</p>
<p><b>Rock Medical</b>                      201 Rock Lititz Blvd, Pod 2, Suite 14, Lititz, PA                      717-544-7625</p>
<p><b>Willow Street</b>                      222 Willow Valley Lakes Dr., Suite 400, Willow Street, PA                      717-544-8694</p>

**Penn Medicine HealthWorks**

CONNECT WITH YOUR PROVIDER ANYTIME, ANYWHERE!

**spruce**

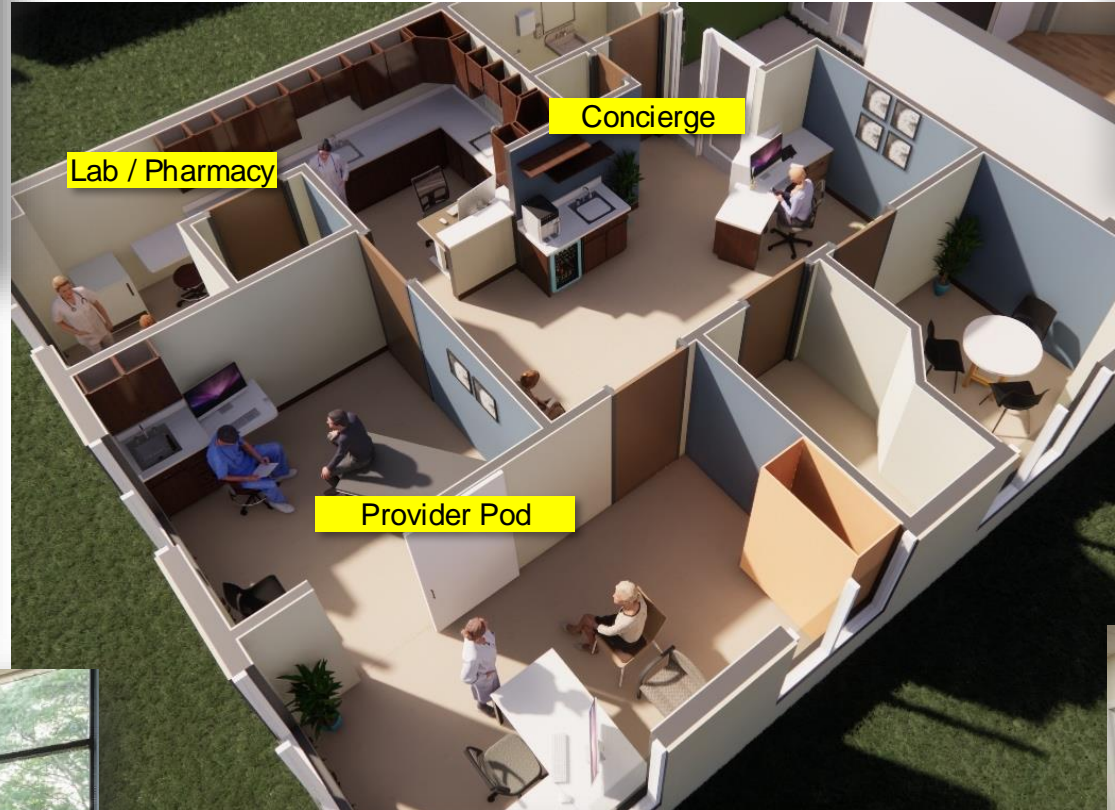
With the Spruce App, you can securely communicate with your provider, schedule appointments, and get the care you need, all from the palm of your hand.

- WHY CHOOSE SPRUCE?**
- Instant Messaging**  
Chat with your provider anytime, anywhere.
  - Appointment Scheduling**  
Book your appointments with ease.
  - Secure and Confidential**  
Your privacy is a priority and HIPAA compliant.
  - Quick Responses**  
Get timely answers to your health questions.

**SIGN-UP AND DOWNLOAD THE APP TODAY!**

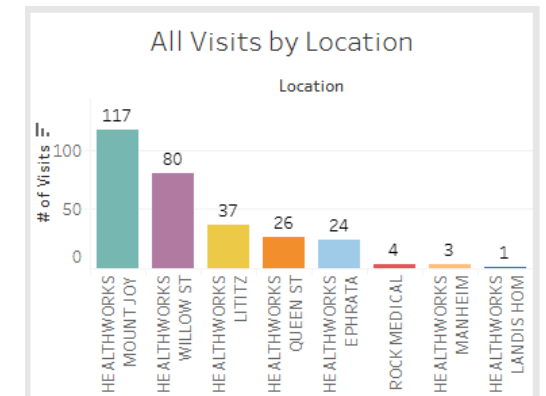
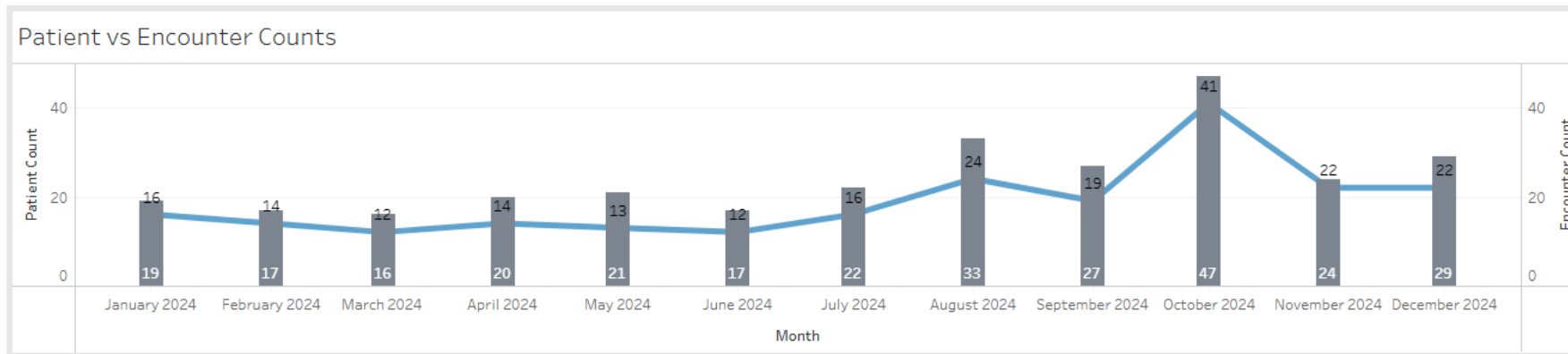
Available on the App Store | Get it on Google Play

# Penn Medicine HealthWorks Practices

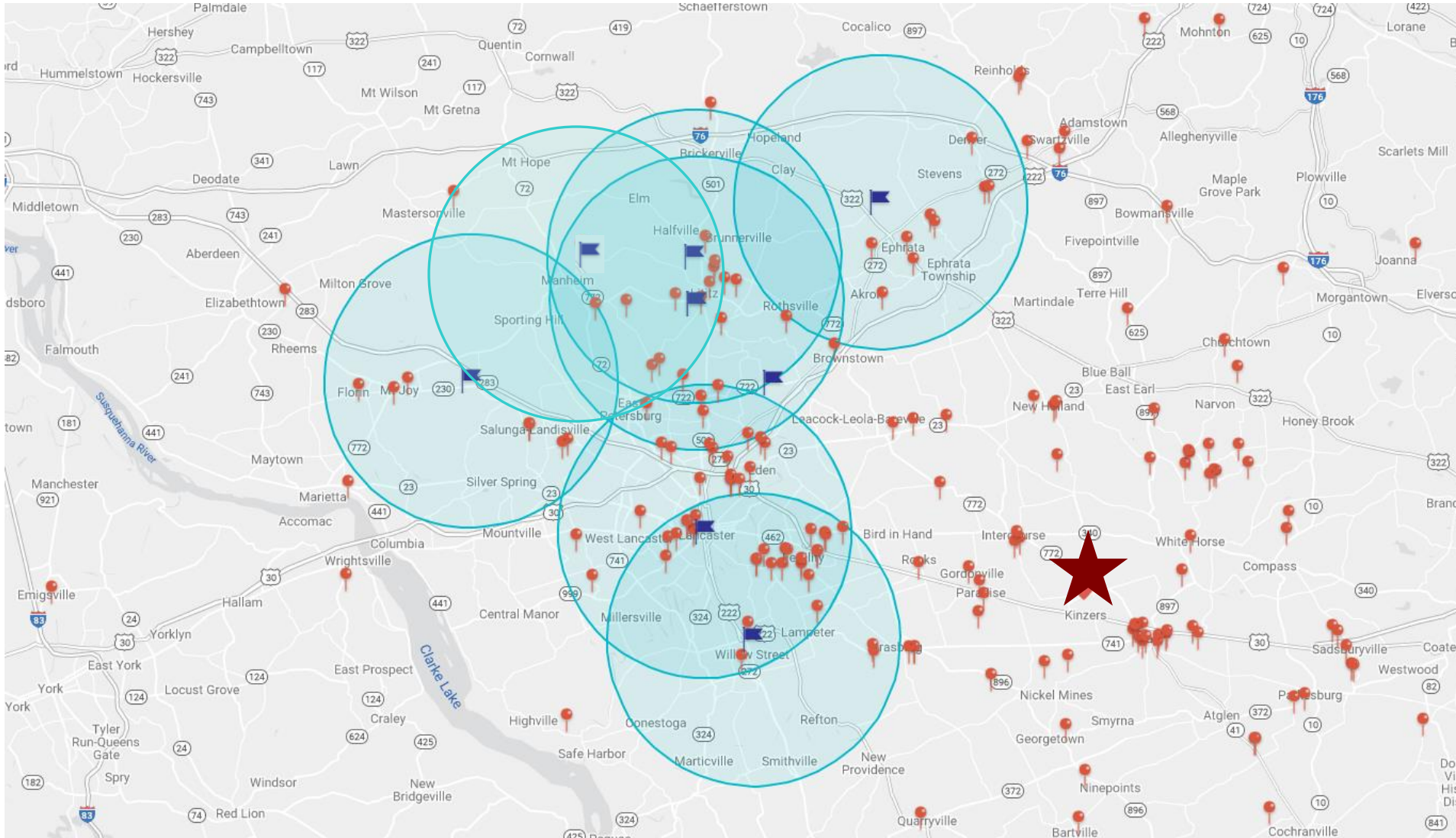


# Pequea Valley SD Membership Utilization for CY 2024

- ▶ Membership ranged from 202 to 224 a month throughout calendar year 2024
- ▶ 116 individual members accessed care at least once in 2024, for a total of 292 visits
  - 219 office or sick visits; 56 wellness visits; 17 virtual visits
- ▶ Other Services provided:
  - 130 medications dispensed
  - 146 lab draws, rapid point of care tests, and EKGs
  - 5,327 text message between members and HealthWorks clinical teams
- ▶ Cancer Screening Compliance as of December: Breast 87%; Cervical 82%; Colon 88%



# Pequea Valley School District Eligible Participants



- Blue flags and circles represents existing HealthWorks locations that current PVSD members have access to and are utilizing
- The red star is the proposed HealthWorks for PVSD campus
- Red pins represent PVSDs eligible participants as of 2022 data analysis

# Current School District Members of HealthWorks

## Primary Care:

- ▶ Columbia Borough = Employees on health plan
- ▶ Eastern Lancaster County = Employees on health plan
- ▶ Lampeter-Strasburg = Employees and Dependents on health plan
- ▶ Manheim Central = Employees on health plan
- ▶ Pequea Valley = Employees and Dependents on health plan

## Primary Care & Counseling:

- ▶ Manheim Township = Employees on and off health plan
- ▶ Donegal = Employees on and off health plan

### School Member Engagement:

- Two-thirds had a visit in the past 12 months
- 85-87% compliance on preventive cancer screenings
- 96% likelihood to recommend provider (top box score)

\*Schools with membership for at least 12 months

# Pequea Valley SD's HealthWorks Practice

# Pequea Valley SD's Proposed Practice

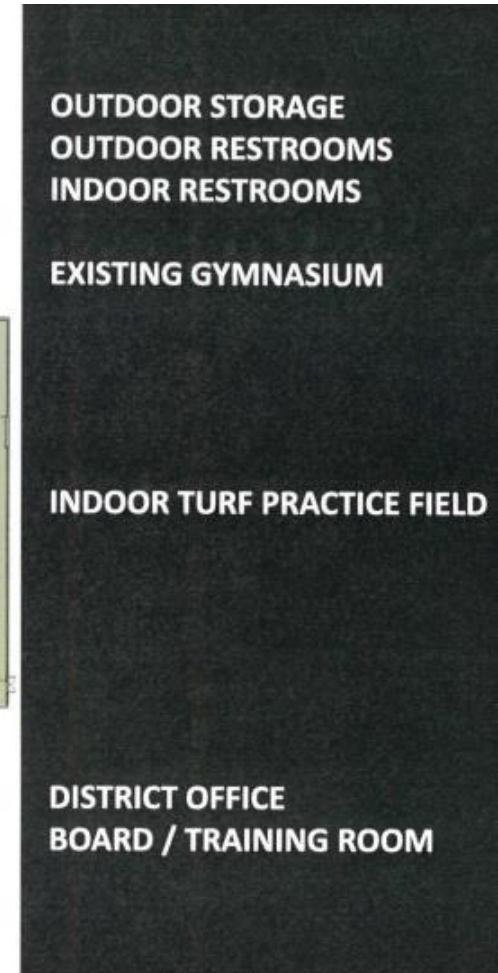
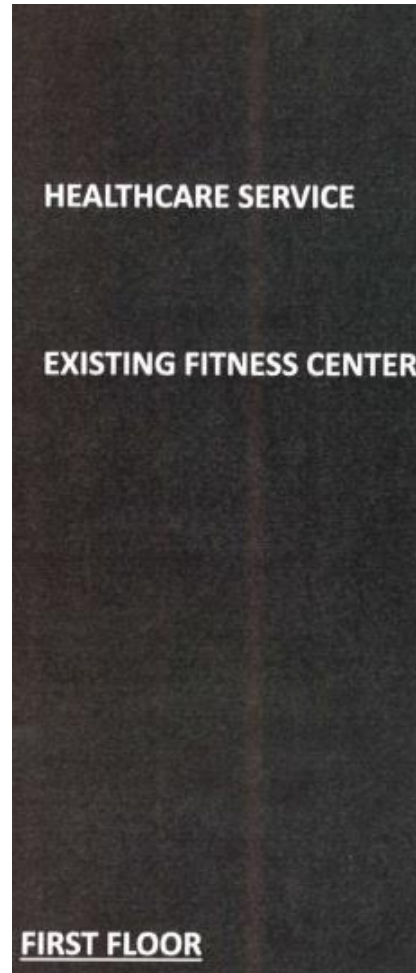
- **Shared capital investment by Pequea Valley SD and Penn Medicine HealthWorks**
  - Pequea Valley SD funds the build-out of the space; Penn Medicine funds the FF&E and IT (\$135k)
  - Estimate 1,300 – 1,500 square feet needed for the practice
  - Practice design/colors will be co-decided upon to best fit culture/look of Pequea Valley SD
- **Proposed location is within a portion of the current high school, adjacent to the fitness center**
- **Pequea Valley SD will help interview/select the provider hired for the practice for cultural fit**
- **Services would include:**
  - Primary care (sick/acute, physicals, minor procedures)
  - Virtual (texting, phone, video)
  - Wellness Services (flu shots, immunizations, biometric screenings)
  - Care coordination / navigation
  - Onsite Pharmacy (commonly prescribed medications for acute injury and illness)
  - *Integrated Counseling can be included if desired*



# HealthWorks Practice Space Programming

Service	Square Feet
Provider Office	120
Exam Room	130
<i>Counseling Room*</i>	110
Lab / Work Room & Nurse Station	260
Wait / Check-in / Nurse Station	200
Break Room	110
Clean & Dirty Storage	150
IT Closet	50
Bathroom	70
Hallways / Circulation	200
<b>TOTAL SPACE NEED</b>	<b>1,400</b>

*\*Integrated Counseling can be included if desired*



# Practice Financial Model Overview

Financials	Community/Open Onsite Practice
Expected Pequea Valley SD Memberships	225
Space Need for Practice (SQFT)	1,500
Capital Cost Estimates	
- IT and FF&E (Penn Medicine)	\$135,000
- Fit-out of Space (PVSD; \$350/SQFT)	\$525,000
Staffing Model FTEs to Open	
- Physician Assistant	1.10
- LPN	1.00
- Licensed Counselor	0.20
Annual Expense to Pequea Valley SD*	
- Primary Care & Counseling (225)	\$169,000
- Primary Care ONLY (225)	\$140,000
Rental Income Paid to PVSD for Space	TBD

- Payment based on a PMPM fee for those enrolled. Primary Care (\$34 child & \$59 adult on HSA) and \$15 for Counseling
- Pequea Valley SD membership and lease agreements would both be for the same term, until capital investment is fully amortized
- Pequea Valley SD membership commitment would reflect current enrollment and not impose additional requirements. Current enrollment is 225 as of January 2025
- Penn Medicine pays occupancy costs to Pequea Valley SD for the lease of the clinic space
- Other employers would have access to Pequea Valley SD's clinic
- Pequea Valley SD members would have access to other "community" HealthWorks sites

\*Currently membership has 65 children and 160 adults (modeling based on 65 children and 160 adults)

\*Rental Income based on length of lease and capital expenditure to fit-out space

# Penn Medicine HealthWorks Partner Benefit

## Location

- HealthWorks requires approximately 1500 sf
- Penn Medicine HealthWorks shares in the capital investment for the practice.  
Construction = \$525K (Local business)  
IT / FF&E = \$135K (Penn Medicine LG Health)
- Penn Medicine HealthWorks will enter into a lease agreement with a local business for return on the capital investment, then provide an annual revenue stream after fully amortized capital.
- The Pequea Valley school has significantly sized uncommitted space.
- Pequea Valley School District would not benefit from the equity on the space if Penn Medicine constructed the space with another business partner.
- Penn Medicine HealthWorks is at financial risk until employers subscribe 600+ members.

## Membership

- Pequea Valley School District is self funded.
- To control the rise in health care costs, members seek engagement to a model that provides an experience focused on convenient access, efficient navigation, and comprehensive care management.
- Historical performance of an onsite/near site primary care practice demonstrates a sustainable reduction in cost of care.
- Total compensation benefit improves recruitment / retention.
- Reduced time off work allows lower costs for school and better learning continuity for students.
- \$49 sick visit fee is far lower than other options (traditional family practice, urgent care, and emergency dept)
- Low cost of care minimizes spend for employee and delays high deductible cost-threshold for school.

## Community Benefit

- Local practice partnership allows Penn Medicine HealthWorks to allow access to any local employer to reduce health care cost burden to the Gap / Intercourse community.
- Central location at the Pequea Valley school allows convenient access to employers and members throughout the region.
- Employers throughout Lancaster County benefit by providing a local practice for employees who reside in Paradise, Leacock, Salisbury, Sadsbury, and West Sadsbury Townships.

# HealthWorks Member Onboarding / Education



## Pre-opening

- Pequea Valley SD provides HealthWorks (HW) qualified membership enrollment listing/file
- HW provides communications to Pequea Valley SD to email to members
- HW provides informational flyers and videos to Pequea Valley SD for distribution
- Pequea Valley SD and HW determine a schedule for Q&A sessions across district locations or virtual
- Although many are already members, HW would schedule meet and greets with HW Staff



## Opening

- All members are emailed a welcome letter introducing practice and how to schedule a visit
- All members are emailed an invite to download the Spruce texting app
- Host an open house event for members to tour the facility and meet the staff
- HW provide Pequea Valley SD communications announcing the opening of the site



## Post-opening

- HW admin team establishes a data review schedule with Pequea Valley SD admin team at an agreed to cadence
- HW and Pequea Valley SD develop schedule for ongoing interaction points with members onsite or virtual (education events, meet/greets, screenings, etc.)
- HW clinical team outreach to patients via email, Spruce, or phone for engagement to site or compliance with health screenings

# **Pequea Valley SD's Return on Investment**

# Frictionless Healthcare

## Value to Employer

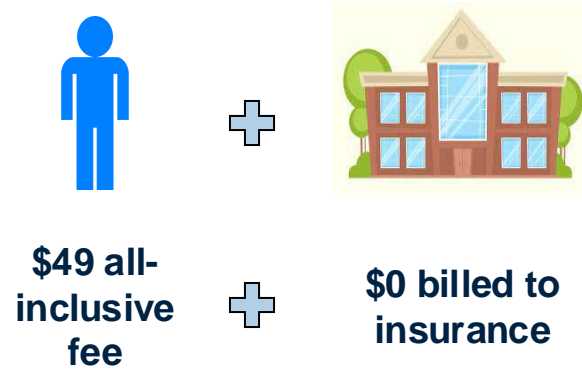
- **Recruitment and Retention tool** to compete for talent
- **Improved productivity** via convenient and coordinated care (less time away from work)
- **Reduced costs** by avoiding unnecessary Urgent Care, ER, and Specialist visits

## Value to Employees

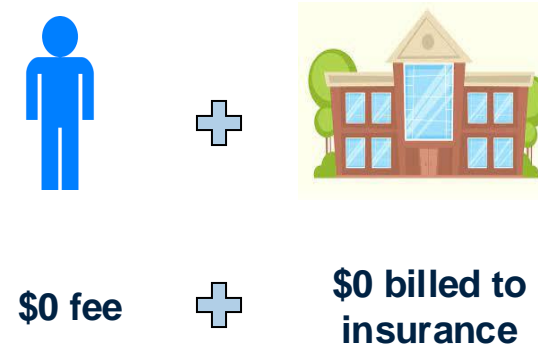
- **Access to broad network of primary care practices** for same day/next day, free, in-person medical services & medications
- **Access to real time concierge services** with your healthcare team via phone, text, virtual visits
- **Access to preventative wellness services** meant to improve health and wellbeing

# Value Illustration for Patient and School

## Before Deductible is Met on HSA Plan

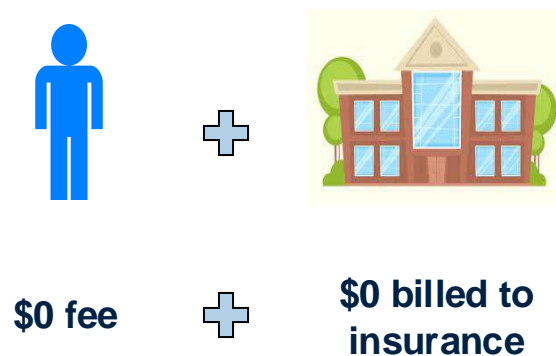


## After Deductible is Met on HSA Plan

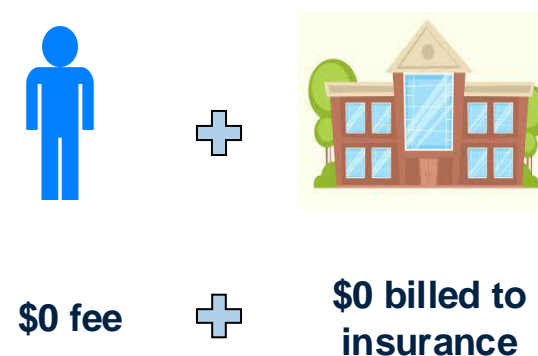


For one sick or acute office visit to HealthWorks

## Before Deductible is Met on HSA Plan

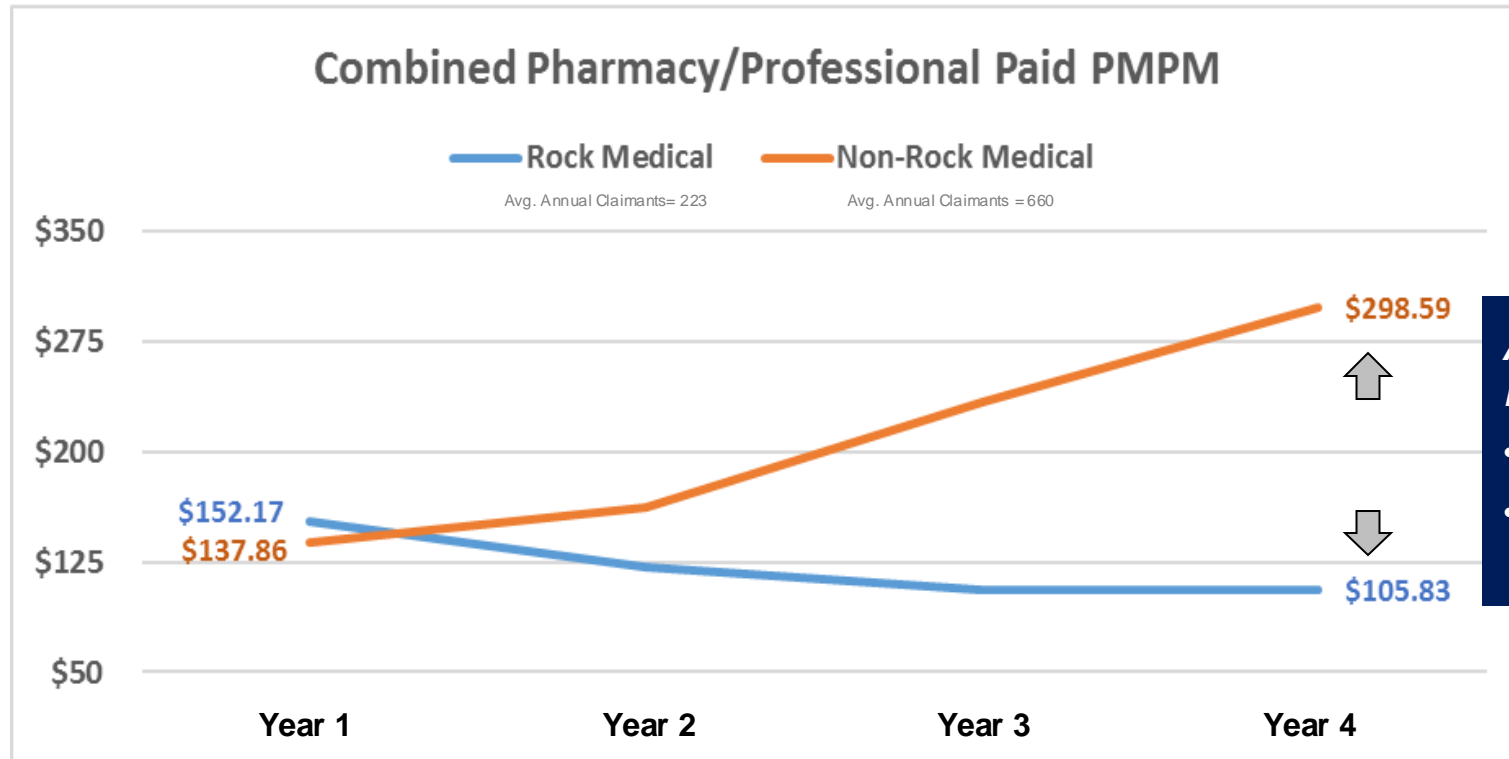


## After Deductible is Met on HSA Plan



For one annual physical, nurse, or virtual visit to HealthWorks

# Employer-Sponsored Practice Value



**An Actual Employer's Data at Rock Medical**

- \$193 PMPM savings
- Far exceeds the \$70 membership fee

In addition to the employer data shown above, LGH took a cohort of 700 individuals and gave them access to HealthWorks and over the next 18 months were able to realize a \$91 PMPM savings for professional & pharmacy spend vs. those who did not have HealthWorks.



# Previously Asked Questions

# Previously Asked Questions

- **Why are we providing this service?**
  - PVSD is self-funded for employee healthcare. This service provides a low flat fee that covers many acute care, labs, wellness, point of care tests, and care coordination that otherwise would be charges to the district. In the first full year of providing the HealthWorks service, the district had a decrease in total healthcare cost of \$138,562.
- **Is this facility for our students?**
  - No. This facility is ONLY for our staff and dependents who are enrolled in our health plan.
- **Is this facility open to the general public?**
  - No. This facility is ONLY for employees whose employer participates in the Penn Medicine HealthWorks program. This is a fee-based program in which employers pay a fee to participate, and only those employees enrolled may use the facility.
- **Will this facility jeopardize the safety of our students or staff?**
  - No. This facility will be located in the old high school with a single point of entrance and exit and will not have access to any other parts of the building. Appointments are scheduled in advance and no walk-up service is provided. Anyone at the facility must be a participating member and will only have access to the HealthWorks facility.

# Previously Asked Questions

- **Are there concerns of non-school personnel coming onto campus?**
  - No. The location of the HealthWorks facility will be next to the current fitness center at the front of the existing HS directly off Rt. 772. This provides easy access to the facility without coming into the main part of the campus. Our current security protocol monitors all activity around the campus grounds, and this will not impact our current protocols. We have thousands of individuals enter our campus and buildings yearly, adding an additional 8-15 persons a day will not significantly impact the security of the campus.
- **Is there a need to increase security personnel?**
  - No. The facility will be located in the old training room and classroom of the old high school. No students will be in that building during the school day. There will only be access through the old training room door and no other access will be granted to the rest of the building. Additionally, this isn't a public facility, and only participating employer's employees will be able to use the facility.
- **How will the facility be paid for?**
  - The district will be responsible for the initial buildout and Penn Medicine will be responsible for furniture, fixtures and equipment (FFE) and information technology (IT). Penn Medicine budgets approximately \$350/sq ft for the buildout which is approximately \$525,000. Crabtree Rohrbaugh & Associates (District's Architects), in looking at the space, feel the buildout should be closer to \$300,000. The reason for this is because this space is already set up with plumbing and in a manner in which is already conducive to the needs of the HealthWorks facility. The final total cost of the buildout will be amortized over a period of time so that the district will be made whole at the end of the contract, therefore, costing taxpayers no additional money. After the initial contract, additional contracts will be based on market value per square foot, which will provide a revenue source to the district budget.

# Previously Asked Questions

- **Why does the facility need to be at the district?**
  - There are numerous benefits to having the facility on-site. Currently there are no HealthWorks facilities within the district boundaries which limits participation for staff that don't live to the west of the district. Additionally, having a facility on-site will provide the ability for staff to access the facility immediately following school and/or during lunch/break periods. This location is central to the district as a whole which helps with all staff in all buildings being able to access the care. This should reduce the need for substitutes and increase participation in the program. Increased participation increases district savings. Additionally, interest has been shown from other community businesses that would like to see a facility in a central location that could benefit their employees and businesses. Furthermore, the space that the facility is proposed to occupy will not be utilized, and this is a way to gain revenue and utilization for the space. Lastly, having this on-site could help with staff retention and recruitment as many individuals do not have a medical home of which this would provide.

# Previously Asked Questions

- **How does the taxpayer benefit?**

- Healthcare costs increase on average between 6%-8% year over year. PVSD, as being self-funded, can directly impact cost savings by making sure individuals on its health plan are healthy and receive timely quality care. Participating in this program has already saved the district \$138,562 from the previous year's actual cost. In order to increase participation, a more convenient and local facility is needed. By saving on healthcare costs the district does not need to budget the 6-8% increases and can reduce that significantly which reduces the amount needed for tax increases. In order to control healthcare costs employers need to focus on alternatives to the way healthcare is currently provided, and this provides that alternative. Otherwise, the compounding effect of healthcare costs will continue to rise year over year costing taxpayers hundreds of dollars each year.

- **Why should tax dollars be spent on this facility?**

- This is an investment in reducing healthcare costs. An investment that has no risk. The cost of the buildout is guaranteed to be paid back, the lease of the space after the initial payback is new revenue to the district, and the program has already reduced our healthcare spend by \$138,562 in its first year. Added participation should increase this savings. Additionally, the community supported using taxpayer dollars to buildout an area for daycare services.

# Previously Asked Questions

- **Has the district saved taxpayer dollars by participating in this program?**
  - Yes. Comparing fiscal year 2023/24 to 2022/23 the district decreased healthcare costs by \$138,562 which is a 3.3% decrease. If you take the average increase of healthcare at 6% the district saved \$300,900 or a 10.6 % decrease.
- **Have any other school districts participated in such a program?**
  - Yes. In 2015, Lancaster-Lebanon IU#13 introduced a similar healthcare clinic as the HealthWorks program for its staff. The initial buildout cost was a little over \$300,000 and in its first 8 years saved \$24.9 million from projected healthcare expenses (using 6% rate of increase).
  - Penn Medicine HealthWorks has six other school districts presently committed to the program; Colombia Borough, Donegal, Eastern Lancaster County, Lampeter-Strasburg, Manheim Central, and Manheim Township.
- **Will this raise taxes on the taxpayer?**
  - No. This portion of phase 2 will be fully paid from reserves. In addition, the added facility will be paid back in full, thereafter will generate revenue for the district thus potentially decreasing potential tax increases. This should be thought of as an investment of district funds of which will show great returns with no risk.

# EVERYONE WINS!!!

- **Win for our Learners**
  - Healthy Facilitators reduces time away from our learners
- **Win for the Taxpayer**
  - The investment in the facility is risk free and will be paid back in full
  - After initial investment is paid off, the facility will generate lease revenue to further reduce tax increases
  - Increased participation should increase healthcare savings beyond the \$138,562 already realized in the first year, also reducing tax increases
- **Win for our District, Faculty, and Staff**
  - Reduces time off of work and lower cost than traditional doctor visits
  - Aides in retention and recruitment of highly qualified staff
- **Win for our Community**
  - Central location is key for other employers located within our district, who also pay taxes, to access the facility and realize the benefit in reducing the burden of increased healthcare costs

**Questions?**