

AmeriHealth Caritas moving airport-area HQ to site in suburbs, for easier commutes

by Jacob Adelman, October 17, 2018



Francis Cauffman

AmeriHealth Caritas, an Independence Blue Cross affiliate that manages Medicaid plans and other public insurance programs, is moving its corporate operations from an office building near Philadelphia International Airport to a planned new headquarters in Newtown Square.

The move will relocate AmeriHealth Caritas executives and administrators from the Airport Business Center office complex in the largely industrial zone east of the airport to a new, custom-built 378,000-square-foot home in the sprawling Ellis Preserve commercial park, where companies including Sunoco LP and SAP SE have offices.

The relocation is part of an office upgrade that also involves renovations at the existing Airport Business Center space, where customer-service teams and other support workers will remain after its corporate-level staff decamp for the northern Delaware County site.

The company's goal was to provide more rejuvenative environments for its employees, whose work with financially and physically distressed coverage recipients can be emotionally taxing, company spokeswoman Cora Klena said in an interview.

"We wanted to create a space where they felt they could replenish their reserves and face every day with a renewed optimism and vigor," she said.

Klena referred questions on the projects' costs to their developers — Equus Capital Partners Ltd. for Ellis Preserve and Keystone Property Group for the Airport Business Center — which did not respond to questions on the topic.

AmeriHealth Caritas said in a statement that the sites were chosen after independent studies included an analysis of employee home zip codes, to minimize commutes. Among those employees is chief executive Paul Tufano, whose Devon home is four miles away from the new Ellis Preserve site, according to Chester County records.

The company said in the statement that "no individual's residence played a role in the organization's decision to select these sites."

John Boyd, a Princeton, N.J.-based corporate-location adviser, said he sees the move to Newtown Square — nestled among some of the most prosperous communities in Philadelphia's western suburbs — as a counterpoint to the widely accepted premise that companies' top priority these days is to locate where they can find the highest concentration of young, educated workers, which is often in city centers.

"The dominance of the urban setting has to some degree been overplayed," Boyd said. "Just as it's critical to be proximate to your (hourly-wage based) labor pool and your administrative support staff, it's just as important to have access to your top people."

AmeriHealth Caritas, which is owned by Independence Health Group in partnership with Blue Cross Blue Shield of Michigan, operates by contracting with states to manage benefits for recipients of Medicaid and other public health programs.

Its current headquarters is a 350,000-square-foot space accommodating about 1,500 workers at the Airport Business Center, a complex of office buildings just outside Philadelphia in Tinicum Township, Delaware County, that's owned by Conshohocken-based Keystone. The company also leases 214,000 square feet occupied by another 1,100 to 1,200 employees at the nearby International Plaza building, the former offices of Scott Paper Co., which was acquired by the city of Philadelphia in 2015.



Artist's rendering of AmeriHealth Caritas' current space at the Airport Business Center offices after renovations.

Under the office-upgrade plan, a new 378,000-square-foot home will be built for the company at Ellis Preserve, a 218-acre tract at Newtown Road and West Chester Pike that was once a girls charity school campus, by its owner Equus, which recently moved its own headquarters there from Center City.

The new AmeriHealth Caritas headquarters will have a fitness center, a cafeteria and access to day-care, the company said. After the project is built in 2021, a 373,000-square-foot portion of the Airport Business Center will be renovated with similar amenities for occupancy by the company's customer-service and tech-support employees, as well as by its entire Keystone First unit, which manages Medicaid coverage in the Philadelphia area.

Through the move, the company will vacate its International Plaza space, Klena said. The new and refurbished buildings will each be able to accommodate 2,000 workers, though the company has no immediate plans to reach that capacity, she said.

The company "will continue to contribute to the state's growth and development with jobs, partnerships and investments," according to Tufano, who was appointed the company's chief executive in 2014 following five years as an Independence Blue Cross executive in Philadelphia. "Our office expansion also aligns with our aim to be the employer of choice by creating work environments for our associates where they're inspired to collaborate, innovate and achieve their fullest potential."