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Healthcare

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A NEWSLETTER FOR THE HEALTHCARE INDUSTRY

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Staffing Tips

Should You Hire a Midlevel Provider?

Nurse practitioners (NPs) and physician's assistants (PAs) can be a real boon to a medical practice. These midlevel providers (MLPs) are able to see patients with routine problems, order X-rays and, in most states, prescribe medications. They often provide the extra attention that leads to happier patients. MLPs also add to the practice's bottom line in another way: NPs and PAs can perform up to 80 percent of the tasks a physician can, but at a fraction of the pay. The median salary for NPs and PAs is around \$80,000.

And they bring in more revenue in proportion to their compensation than internists and family physicians. In fact, for every \$1 in compensation, the typical PA brings in \$3 in gross earnings for the practice, according to the Medical Group Management Association. By contrast, internists typically gross slightly more than twice their compensation.

Steve Lutz, partner-in-charge of the *Healthcare Services Group* at Wolf & Company LLP says, "Midlevels add to the income pot in other ways, too. They allow doctors to handle larger patient panels. Under managed care, this can mean a larger capitation check. On the fee-for-service side, they can handle the typical colds and sprains while the doctor is free to concentrate on more complex, better-paying cases. "

And third-party payers, Medicare included, are generous to advanced-



practice nurses and PAs — generally reimbursing 80 percent to 100 percent of what physicians receive.

When It Works

Physicians most likely to hire an MLP are those whose practices have grown to the point that same-day appointment slots have all but disappeared and new patients are being turned away. Others are seeing more patients than they'd prefer or finding that their established patients need more care than they can comfortably provide. In this case, a physician may be willing to exchange a short-term drop in income for a less-harried patient load.

Mid-career doctors may also benefit from adding a midlevel. By letting the midlevel handle routine care, these physicians can reinvigorate their professional lives by focusing on more challenging cases or use the extra time to develop expertise in an area that interests them.

Making it Work

Integrating MLPs Into Your Practice



There's no doubt that a nurse practitioner or physician's assistant will ultimately make a busy day less hectic. But a solid and productive working relationship doesn't happen overnight. It requires effort.

Of course, the practical, day-to-day components of the working relationship will depend in large part on the extent of supervision required. Nurse practitioners, for example, must have collaboration agreements but function relatively independently. Others, such as physician assistants, are often required to follow clear delegation protocols and be closely controlled.

Put It In Writing

A written job description is essential. When outlining the scope of practice for a midlevel provider (MLP), include a clearly defined role as well as an overview of expectations (e.g., documentation expectations, diagnostic test tracking/reporting). Be specific and detail everything you expect the person to do, including whether he or she will take calls, make hospital rounds, or build his or her own patient panel.

Set up a regular schedule for formal collaboration on cases. Also establish a mechanism for evaluation. For example, you might agree that a percentage of the MLP's records will be reviewed each month and that feedback will be provided.

Carefully Transfer Care

Take a proactive approach to transferring care to a PA or NP.

Staff – Coach your staff on how to best integrate the newcomer into your practice. When you are running behind schedule, for example, your receptionist should be trained to offer waiting patients the option of seeing the NP or PA. Of course, make sure that patients always know they will be accommodated if they prefer to see you.

Patients – You may need to start by educating them about what an NP or PA is and how the addition of a midlevel practitioner to your practice will benefit them, through improved access, patient education, etc. A brief mention on your practice Web site and an introduction letter sent to your entire panel is a great way to get the word out. Be sure to include a photo and plenty of background information on the MLP. On their next visit, be sure to personally introduce the midlevel to patients.

Physicians – Specialists should notify referring physicians that the midlevel is there to increase your availability for such referrals.

Take Some Lessons In Liability

When adding a midlevel practitioner, make sure that you're extending your practice – not your liability. That said, adding a midlevel can certainly lower your liability risk – assuming he or she is properly supervised. How? Quite simply, there's less

opportunity for things to fall through the cracks. A well-trained MLP who builds rapport with patients can increase patient satisfaction and compliance. And satisfied, compliant patients are less likely to sue.

Notify your carrier. Inform your malpractice carrier immediately when you add an NP or PA. Failure to do so could result in denial of coverage for failure to disclose. Standard practice is for the MLP to have an individual malpractice policy. In fact, the American Academy of Physician Assistants advises its members to insist on their own personal policy. You could agree to purchase the policy as a recruiting incentive or fringe benefit.

Inform patients. Make abundantly clear to your patients the distinction between physicians and nonphysician providers. For example, ask your MLPs to wear nametags that clearly indicate that they're an NP or PA, or have them wear a different color lab coat. Next, provide your patients with a written notice explaining that your office uses physician extenders, and define how often you will see patients who are seen routinely by a PA or NP.

Supervise appropriately. Your level of supervision depends on your state's regulations. But, for example, you might say that all new patients are seen by the physician, as are patients whose symptoms persist. Such a protocol can prevent patients from claiming that they never knew they were being seen by anyone other than a "real" doctor.

Make yourself available. Encourage your NP or PA to ask for help when needed. Don't unwittingly project the impression that you're too busy to be bothered with questions. ■

Running The Numbers

Of course, you'll want to know how long it will be before a new hire can support his or her salary and overhead – and start contributing to the practice bottom line.

Here's how it typically works: After the initial hire, physician income generally drops for about six months. You are covering everything as your midlevel establishes a large enough patient load. But after six months, your MLP should break even. After 12 months, you should have recouped the losses of the first six months and, during the second year, you begin making a profit.

You can develop an estimate of how much revenue the MLP could generate by multiplying the number of patients per day (generally, 12 to 20 for MLPs) by the reimbursement you are expected to receive. Also estimate expenses related to the MLP. In addition to salary and benefits, you will probably need some clinical support for the MLP as well as front office and billing support.

Questions To Ask

What do I want to accomplish?

Before hiring, decide what you want a midlevel to contribute to the practice, whether that's helping increase volume and generate more revenue, ease existing wait times and accommodate same-day appointments or simply free you up to spend more time out of the office.

Do I have enough patients? A midlevel is valuable only if kept profitably busy. You'll need to make sure there are enough existing and potential patients so that your midlevel will be at full speed in six months to a year. Look also at the type of patient represented in your schedule. Maintenance patients – those on meds who

need to be checked every three months – can easily be served by a physician assistant or nurse practitioner.

Do I have the temperament to supervise? We're not all cut out to be bosses. Ask yourself honestly if you can supervise effectively. That means clarifying responsibilities, instructing how you want things done, establishing guidelines for the relationship (for example, would you prefer to be called by your first name only in private), and evaluating performance and providing feedback.

Consider also whether you want to hire an experienced midlevel or a recent graduate whom you can train in your style of practice. Consider "auditioning" potential candidates by arranging for NP or PA students to rotate through your practice, and offering a job to the person who



demonstrates superior clinical skills and rapport with patients.

Make It Work

For a summary of state laws, see the American Academy of Physician Assistants' Web site, <http://www.aapa.org/gandp/statelaw.html>, and the American Academy of Nurse Practitioners' Web site, <http://www.aapa.org/gandp/statelaw.htmlaapn.org>. ■

For more information call Steve Lutz at 630-545-4550.

Bridging The Generation Gap

Your practice can recruit (and retain) the best midlevel talent by not only knowing its needs but also anticipating theirs. With the predominance of Generation X and Y practitioners at this level, their needs generally boil down to the critical issue of work-life balance.

For instance, Gen X NPs and PAs (today's 30- and 40-somethings) grew up in a culture with a strong focus on leisure time and personal interests. This group wants to advance and grow professionally, but not while compromising their personal lives. In their quest to balance medicine with their families, many prefer to work part time or have flexible work schedules. And they consider medicine a profession, not a lifestyle.

In general, they seek:

- Defined practice hours
- Limited call schedules
- Reasonable patient loads
- Set vacations

They are also "tech heads." They developed professionally in a world of laptops, cell phones and remote controls, and expect palm technologies and high-speed Internet access in the workplace.

Ultimately, you'll need to tailor your recruitment message to today's increasingly young and female MLP talent pool. Family time and balance between work and play will likely resonate the most with today's candidates.

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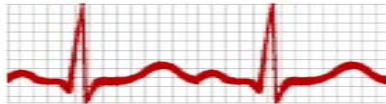
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Vital Signs



PQRI Raises the Stakes

If you've been on the sidelines about Medicare/Medicaid's Physician Quality Reporting Initiative (PQRI), now might be time to get in the game. The stakes have gotten higher for 2009.

In fact, the Centers for Medicare & Medicaid Services (CMS) has expanded the PQRI bonus in 2009 to 4 percent:

- 2 percent for submitting PQRI quality measures, and
- 2 percent for the new ePrescribing bonus.

CMS is attempting to involve more providers by offering a higher bonus

and more reporting measures. There are also new alternative reporting periods and methods for 2009.

What It Is

PQRI is a voluntary program designed to identify measures that lead to quality care. CMS asks clinicians to report on at least 80 percent of qualifying patient claims and to cite three or more measures that show that they followed accepted medical procedures.

For example, when seeing a patient who has diabetes, did the physician check the patient's feet? Were asthma patients evaluated at least once a year for the frequency of symptoms?

Reporting is fairly straightforward. Simply add the appropriate G-code or CPT II code to your Medicare claims along with the relevant ICD-9 code. The reporting period runs through December 31. Quality performance measures are listed on the CMS Web site, <http://cms.hhs.gov>.

Don't be left out of this revenue building opportunity! The incentives have gotten better, and the program is a great means of focusing your practice's efforts to deliver consistent and high-quality patient care. ■