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Nurse Practitioners in Demand, But Face Pay, Practice Disparities

By Joyce Routson July 8 2010

Business savvy important in justifying their place

By Joyce Routson, HEALTHCAREERS.com

As nurse practitioners (NPs) assume an increasingly important role in the healthcare system under insurance reform, demand for their services will rise. A shortage of physicians going into primary care is opening up opportunities for NPs.

But while healthcare reform may open doors for NPs, they still face significant barriers that limit their scope of practice, and get paid significantly less than physicians. While the job market is good, negotiating the career ladder may be challenging for the 8,000 advanced practice nurses who become NPs each year.

A dose of business savvy, however, may help NPs achieve success and find positions where they can make a difference in patients' lives as well as their employers', experts say.

"Most physician assistants and NPs have 10 different employers," says Matt Freitas, FNP-C, PA, vice president of the [Aspen Family Medical Clinic](#) in Modesto, Calif. In a successful medical practice, the NPs may be seen as expendable, if the physicians want to maintain their profit margins and standard of living, he says. "The physician makes so much per patient. If he wants to live in style, it's hard to pay the NP an equivalent."

Newly minted nurse practitioners typically get \$85,000 to \$90,000 a year (\$75,000 in a rural area) and experienced ones may make \$100,000 to \$110,000. Despite the fact that NPs and PAs may see more patients, a family practice physician is paid \$160,000 to \$180,000.

The inconsistencies and pay discrepancies aren't fully addressed in the health insurance reform law (although nurse midwives will receive Medicare reimbursement equivalent to physicians). The new law also states that primary care providers, including nurse practitioners, who work in medically underserved areas may receive 10 percent Medicare bonuses starting in 2011.

In addition, many states require NPs to practice under the supervision of a physician. In 28 states they must collaborate with a physician to diagnose and treat patients or prescribe medications.

Business savvy

Those challenges may be overcome if nurse practitioners "think outside the box" and demonstrate they can add value to a private practice, or perhaps start one up themselves.

"Nurse practitioners need to have a better idea of the business of medicine," says **Barbara Phillips**, MN, GNP-BC, FNP-BC, who owns [Aberdeen Primary Care](#) in Aberdeen, Wash., and also consults with nurses who want to open their own clinics. "They don't always understand the business side and how they can impact the revenue side of the business."

Knowledge of the intricacies of coding and reimbursement and how their services can generate more business can "justify why you are valuable and give you more negotiating skills" to a prospective employer, she says. "Any business owner is concerned about patient care, but he is also concerned about the bottom line."

Freitas says nurse practitioners might look for practices where they can assume a greater degree of the administrative burden for the physicians. That could lead to a better pay package and more longevity, he says.

Phillips says that NPs should not be put off by the laws that regulate their ability to practice. There are NP-owned clinics in every state, she says, numbering in the thousands. More than 20 states allow greater autonomy and 97 percent of NPs write prescriptions.

"If you have a good, solid idea, you can have a successful practice," says Phillips.

Job market

Despite the drawbacks, the job market for nurse practitioners is good, and excellent for those with several years of experience. There are 135,000 nurse practitioners in the United States, according to the American Academy of Nurse Practitioners, more than 70 percent of whom work in primary care.

"You can go almost any place and get a job," says **Ken Miller**, PhD, RN, CRNP, FAAN, past president of the [American College of Nurse Practitioners](#). Miller said the opportunities are especially great in rural areas and at nurse-managed health clinics that provide primary care to low-income patients.

In his position as the director of the [School of Nursing at the University of Delaware](#), Miller taught prospective NPs about what to expect when they begin the interview process.

He advises, first of all, to be up front about what their skills are. "Be honest and let the employer know if you can't do something, and let them know if you have certain certifications, such as in diabetic education. It will be better for you" in the long run, he says.

Freitas, who hires both physicians and NPs, adds, "The biggest fault of a lot of applicants is that they don't list all the experience that could be relevant." He recalls a candidate who had experience as a drug counselor, but didn't list it on the resume. Once that became known, the person was hired.

Miller says that he encourages candidates to come with a portfolio that lists what they've done as a student, or in a prior practice.

On her [website](#), Phillips has some sample questions for candidates.

Here are a few:

- * In what ways will this role help you stretch your professional capabilities?
- * In what areas have you improved most in your careers?
- * What is the toughest feedback you've every experienced and what did you learn from it?

Miller also tells candidates that they should be prepared for some nuts and bolts questions about their role in the practice. They should be prepared to discuss the limits of their malpractice insurance and what kind of "tail" would be paid if they decide to leave. They should also ask the prospective employer if there would be limits on where they could practice if they leave.

