



Assimilating APPs in Practices: Benefits and Barriers

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Dr. Terry McWilliams, Director and Chief Clinical Consultant, Family Physician, spent a decade as the Vice President of Medical Affairs and Chief Medical Officer at Newport Hospital, an acute care community hospital within a larger Rhode Island academic health system. During his tenure as CMO, he supervised the Medical Staff Services Office; was responsible for quality of care/patient safety/risk management, clinical information systems, medical staff services, physician recruitment and clinical service line development.

A University of Pittsburgh School of Medicine graduate, he retired from the US Navy after a career spanning more than 20 years working as a family physician and clinical administrator in a variety of practice environments, including leading multi-specialty clinical operations and physician- hospital alignment. Dr. McWilliams completed a Master of Science in Jurisprudence (MSJ) focused on Hospital and Health Law from Seton Hall University School of Law in August 2015 and subsequently developed expertise in population health and patient centered medical home and specialty practice development.

Objectives

- Recognize trends in provider supply and the impact on care delivery
- Understand the potential benefits of incorporating advanced practice providers into practices
- Appreciate potential barriers to incorporating advanced practice providers into practices
- Consider mechanisms to successfully integrate advanced practice providers into practices

Advanced Practice Providers

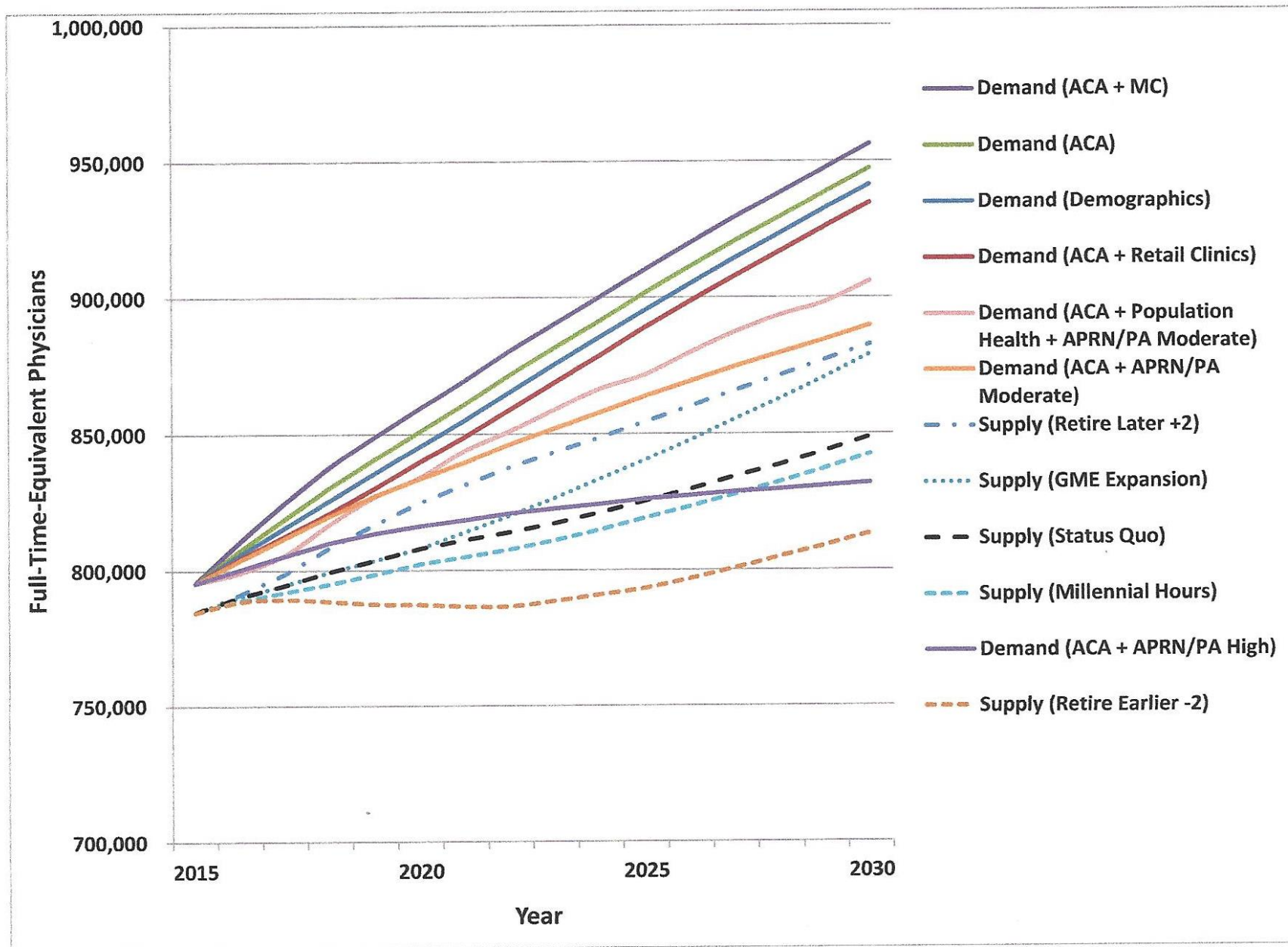
- Advanced Practice Providers (APPs) are also often referred to as Advanced Practice Professionals or Advanced Practitioners or Non-Physician Providers (NPPs)
- The APP grouping can be quite inclusive but the focus for this presentation will center on
 - Advanced Practice Nurses (APRNs)
 - Including Nurse Practitioners (NPs), Certified Nurse Midwives (CNMs) and Clinical Nurse Specialists (CNSs)
 - Physician Assistants (PAs)
- The presentation will not specifically address integration of Behavioral Health services in practices and the additional APPs associated with those initiatives

Trends in Provider Supply

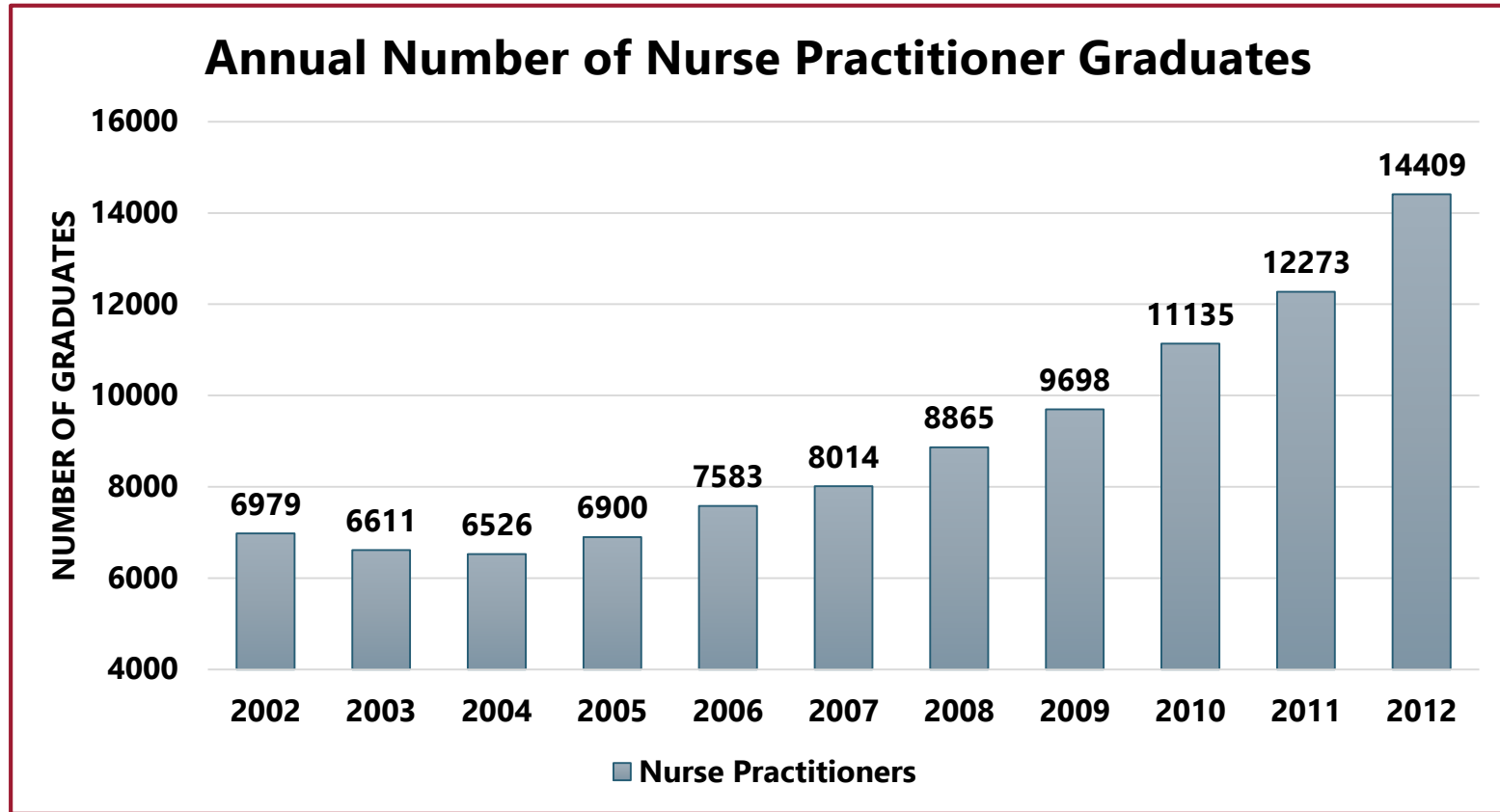
- Growing physician shortages
 - Demand for healthcare is outstripping current (and projected) physician capacity
 - Association of American Medical Colleges (AAMC) 2017 projections predict ongoing physician shortage concerns¹
 - Projected shortfalls
 - By 2025 -- 34,600 to 82,600 physicians
 - Less than the 2016 report of 61,700 to 94,700 based on newer assumptions about faster growth in and integration of APRN supply
 - By 2030 -- 40,800 and 104,900 physicians
 - Most notably affecting primary care but also many other specialties and subspecialties
- The supply of NPs and PAs is growing at a more rapid rate than physicians
 - Shorter training cycle
 - Heightened interest fueled by increasing demand

1. 2017 Update – The Complexities of Physician Supply and Demand: Projections from 2015 to 2030 Final Report. https://aamc-black.global.ssl.fastly.net/production/media/filer_public/c9/db/c9dbe9de-aabf-457f-ae7-1d3d554ff281/aamc_projections_update_2017_final_-_june_12.pdf

Exhibit 1: Projected Total Supply and Demand for Physicians, 2015–2030



Nurse Practitioner Growth

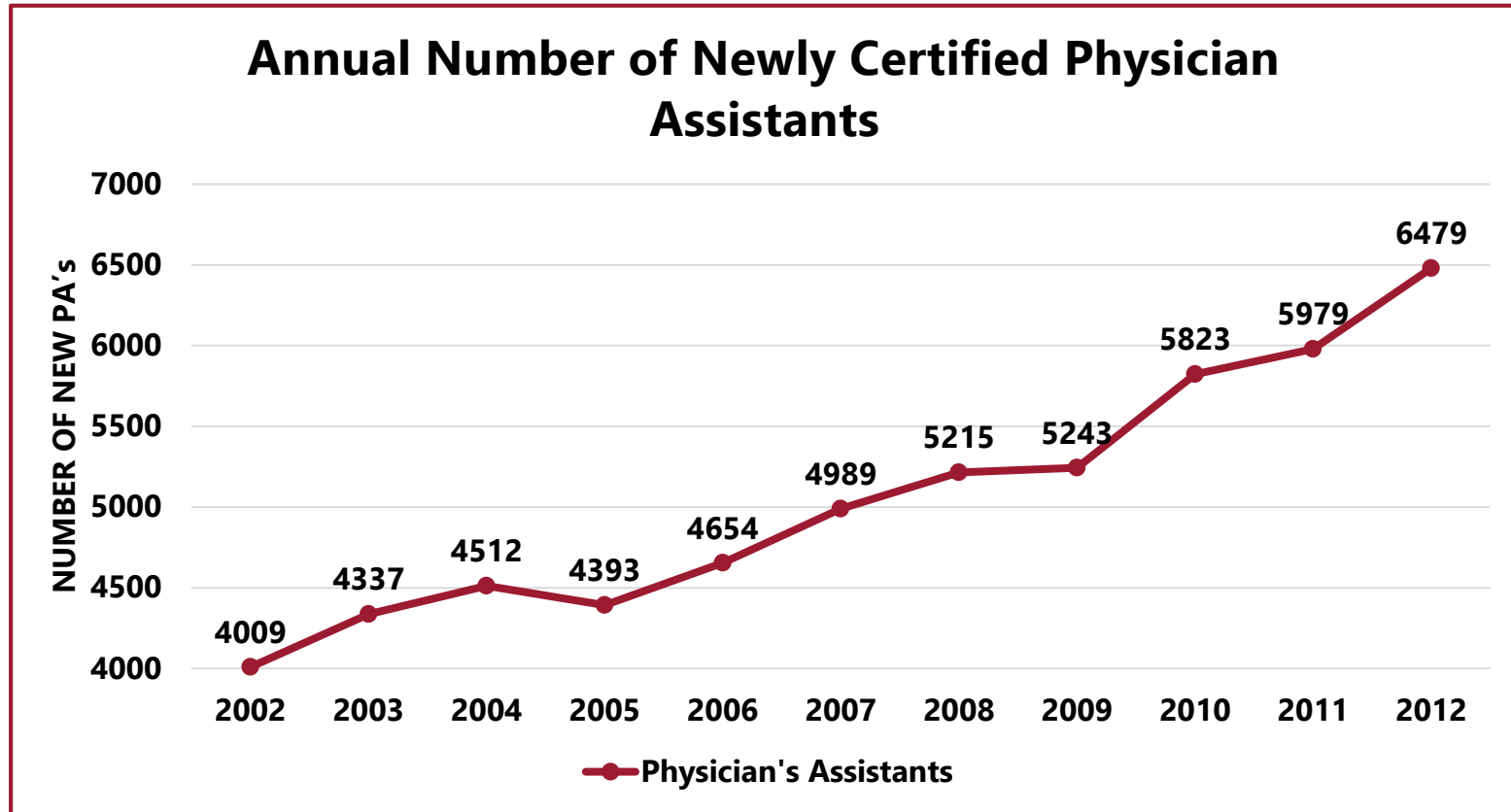


- Number of **new** graduates from Nurse Practitioner programs grew by 52% from 2002 – 2012 ¹
- Number of **total** licensed nurse practitioners nearly doubled from 2004 to 2014 – from 106,000 to 205,000 ²

1. Source: HRSA compilation of data from the AACN Annual Survey (in collaboration with the National Organization of Nurse Practitioner Faculties for collection of nurse practitioner data)

2. 2015 Nurse Practitioner Ranks Surge to 205,000, Nearly Doubling Over Past Decade. AANP, January 21, 2015. <https://www.aanp.org/166-press-room/2015-press-releases/1675-2015-nurse-practitioner-ranks-surge-to-205-000-nearly-doubling-over-past-decade>

Physician Assistant Growth



- Number of **newly** certified physician's assistants grew by 38% from 2002 – 2012 ¹
- The **total** number of Certified PAs grew 44.4% from 2010 to 2016 – from 80,019 to 115,547 ²

1. Source: National Commission on Certification of Physician Assistants (NCCPA), "Certified Physician Assistant Population Trends"; 2012 data from personal communication with NCCPA, January 16, 2013.

2. 2016 Statistical Profile of Certified Physician Assistants. NCCPA, 2017.
<http://www.nccpa.net/Uploads/docs/2016StatisticalProfileofCertifiedPhysicianAssistants.pdf>

Trends in Provider Supply

- Most “experts” indicate that incorporation of APPs into patient care delivery systems will be required to meet the demand for patient care services
- The 2017 AAMC report¹ anticipates the increasing integration of APPs in the care delivery mix, stating

“The ratio of physicians to APRNs and PAs is projected to fall over time as the APRN and PA supplies grow at faster rates than physician supply.”

“These projections suggest that the physician-to-PA ratio will fall from 7.2:1 in 2015 to 3.5:1 in 2030, and the physician-to-APRN ratio will fall from 3.6:1 in 2015 to 1.9:1 in 2030.”

1. 2017 Update – The Complexities of Physician Supply and Demand: Projections from 2015 to 2030 Final Report. https://aamc-black.global.ssl.fastly.net/production/media/filer_public/c9/db/c9dbe9de-aabf-457f-ae7-1d3d554ff281/aamc_projections_update_2017_final_-_june_12.pdf

APP Integration Benefits

- Potential benefits of incorporating APPs in practices include the following:
 - More timely patient access
 - Expanded capabilities
 - Higher patient satisfaction
 - Greater practice productivity
 - Enhanced revenue generation

APP Integration Benefits – Timely Patient Access

- Addition of APPs can provide enhanced access – both in primary care and other specialties
- Primary Care
 - NPs are estimated to be able to perform approximately 85% of primary care physician tasks and PAs approximately 80% ¹ ...
 - ... with comparable quality ² and lower cost ¹
 - Specific direct patient care in the primary care setting often targets
 - Preventive care and wellness
 - Office-based acute care
 - Stable chronic conditions
- Other Specialty Care
 - Direct patient care includes performing initial assessments, follow up care, and specific procedures

1. Top 8 Reasons to Hire a NP or PA. <http://www.physicianspractice.com/managers-administrators/top-eight-reasons-hire-np-or-pa>

2. Leigh Page, Physicians, NPs, and PAs: Where's This All Going? Medscape Business of Medicine, October 29, 2014. http://www.medscape.com/features/content/6006318#vp_1

APP Integration Benefits – Expanded Capabilities

- APPs play significant roles in the value-based care delivery models and team-based care
- APPs' education and training ideally suit them to provide services that are key to value-based care, such as
 - Preventive and wellness services delivery required for enhanced population health management initiatives
 - Care management and care coordination services
 - Patient education – in both 1:1 and group settings
 - Greater patient engagement in their care and in the practice
- Data indicate that the same quality of care¹ is provided at less cost² – key for a positive value equation
- Presence can actually expand scope of services rendered
 - CNM in OB practice

1. Leigh Page, Physicians, NPs, and PAs: Where's This All Going? Medscape Business of Medicine, October 29, 2014. http://www.medscape.com/features/content/6006318#vp_1

2. Top 8 Reasons to Hire a NP or PA. <http://www.physicianspractice.com/managers-administrators/top-eight-reasons-hire-np-or-pa>

APP Integration Benefits – Patient Satisfaction

- Contrary to concerns regarding patient acceptance, APPs are felt to enhance patient satisfaction with a practice¹
- Direct and indirect influences
 - Direct – satisfaction with care received from the APP
 - Indirect – enhanced access to the practice
- As a group, APPs tend to be very patient centric, interacting with patients on a different level and successfully engaging patients in their care
 - Tend to develop a “following” of patients in practices
 - Tend to focus more effectively on patient education

1. Leigh Page, Physicians, NPs, and PAs: Where's This All Going? Medscape Business of Medicine, October 29, 2014. http://www.medscape.com/features/content/6006318#vp_1

2. 2016 Healthcare Trends: How Certified PAs Make a Difference. <http://www.physicianspractice.com/partnerships/2016-healthcare-trends-certified-pas-make-difference>

APP Integration Benefits – Practice Productivity

- APPs increase practice productivity when utilized at the top of their capabilities
 - Direct patient evaluation and treatment
 - Office visits
 - Perioperative assessments and updates
 - Rounding
 - Performance of procedures that frees physician to provide other care
 - Cardiovascular stress testing
 - Casting/splinting
 - Suturing/wound care
 - First assist at surgery

APP Integration Benefits – Revenue Generation

- 2017 MGMA DataDive Cost and Revenue Survey highlights¹ indicate
“The practices with a higher non-physician provider (NPP) to physician ratio (0.41 or more NPPs per full-time equivalent [FTE] physician) earn more in revenue after operating cost than practices with fewer NPPs (0.20 or fewer NPPs per FTE physician) regardless of specialty.”
- The caveat -- the APPs must be experienced and must be used at the top of their licenses and capabilities

1. 2017 Update – The Complexities of Physician Supply and Demand: Projections from 2015 to 2030 Final Report. https://aamc-black.global.ssl.fastly.net/production/media/filer_public/c9/db/c9dbe9de-aabf-457f-ae7-1d3d554ff281/aamc_projections_update_2017_final_-_june_12.pdf

APP Integration Barriers

- Potential barriers to incorporating APPs in practices include the following:
 - Physician acceptance
 - Patient acceptance
 - Regulatory and institutional requirements

APP Integration Barriers – Physician Acceptance

- Lack a positive personal frame of reference
 - Many physicians have never worked with an APP
- Have a negative personal frame of reference
 - Often a mismatch between expectations and realities, whether general expectations or relative experience or relative autonomy
- Perception of APP education and training
 - Short duration of formal education program
 - Traditionally – two year Masters level program
 - Often offset by healthcare background – especially APRNs
 - Lack of post graduate training
 - Require mentoring in primary care (much like residency graduates)
 - Require on-the-job and potentially additional didactic education for some specialties
- Relative autonomy
 - Experience may have involved too little autonomy – less value – or too much autonomy – concern of “independent before ready”

APP Integration Barriers – Patient Acceptance

- Patient acceptance must be a consideration
- More of an issue 20 years ago
- Most patients have encountered APPs during their healthcare interactions and this barrier is now limited to small pockets of patients
- Clients, surveys¹, and personal experience indicate that patients are very accepting of APPs
- APPs who deliver empathetic, compassionate, “quality” care are readily accepted and embraced – and quickly develop a loyal following

1. Leigh Page, Physicians, NPs, and PAs: Where's This All Going? Medscape Business of Medicine, October 29, 2014.
http://www.medscape.com/features/content/6006318#vp_1

APP Integration Barriers – External Requirements

- Varying state laws and regulations
 - States establish the degree of independent practice that APPs can exercise
 - APRNs
 - 19 states permit independent NP practice (as of August 2016)
 - 17 states permit independent CRNA practice (as of August 2016)
 - Based on CMS physician supervision waiver available since 2001
 - States must apply and be granted the waiver
 - Key in rural settings
 - PAs
 - All states require physician supervision of PAs at this time
 - Many advocating more independent practice, looser but effective supervision
- Medical Staff Bylaws
 - Regardless of state regulatory requirements, Medical Staff Bylaws often unduly restrict APP clinical privileges and practice based on archaic beliefs
 - Secondarily impedes APP integration into hospital-employed practices and full utilization of APPs in hospital settings

APP Integration – Process

- Plan the change
 - Define the problem(s) being addressed and desired goal(s) to achieve
 - Outline potential alternative approaches
 - Define how APP integration addresses the problem(s) and goal(s)
 - Explore the practice culture to discover barriers to APP utilization
 - Conduct a failure modes and effects analysis (FMEA) with practice staff to identify and proactively rectify the operational implications of APP utilization
 - Develop compensation plan plus incentives
- Time the change
 - Determine the most appropriate timing to initiate the change
 - Often determined by the underlying issue(s) being addressed, such as
 - Demand for services exceeds capacity
 - Adoption of value-based care delivery model
 - Care coordination concerns

APP Integration – Process

- Recruit candidate
 - Meets desired skill set
 - Clinical
 - Interpersonal
 - Agrees with the conveyed plan
 - Embodies cultural fit
 - Practice
 - Community
- Effectively onboard new hire
 - Administratively
 - Collegially
- Execute integration plan
- Monitor progress and adjust
 - Hold staff accountable

APP Integration and Utilization - Examples

- Orthopedic practice with single PA for one of three orthopedic surgeons
 - Desired advice on best utilization of PA
 - Current state – essentially scribe and medical assistant as concomitantly present with orthopedist during patient interactions
 - Also desired to hire a cast tech as orthopedist performed own casting and splinting
- Advice
 - Hire 2nd PA
 - Office use
 - Schedule patients to individual PA's schedules
 - Orthopedist sees each patient – after PA evaluation – and PA completes the visit and patient education
 - Adjust PA schedules
 - To alternate patient arrival times
 - To permit adequate time to complete encounters
 - To permit same day access
 - Creates essentially two full schedules of patients covered by single orthopedist
 - Significantly enhanced patient access to the practice

APP Integration and Utilization - Examples

- Advice (con't)
 - Train PAs in splinting and casting techniques
 - Formal hands-on course followed by on-the-job mentoring
 - Applicability in office, emergency department, inpatient unit, and operating room
 - Operating Room
 - One PA in case while 2nd available to perform perioperative assessment (update H&P, address issues) and be available to triage/address issues from office, ED, inpatient unit
 - PA in operative case stays with patient through end of case and initial post operative interval (including templated order entry while surgeon and 2nd PA move on to next case which the 2nd PA prepped and is familiar with)
- Anticipated outcomes
 - Professionally fulfilled orthopedist and PAs
 - Enhanced patient access
 - Increased practice revenue (outperforms increased expense)

APP Integration and Utilization - Examples

- Two physician cardiology practice with in-office stress testing capabilities unable to meet demand for services
 - Difficult physician recruitment
- Advice
 - Hire NP to initially
 - Perform in-office stress testing after cardiologist screening
 - Conduct patient education of cardiology conditions
 - Engage patients in secondary and tertiary prevention efforts
 - Once NP becomes proven model, expand to 2nd NP
 - Each performs above but scope expands to additional direct care roles
 - Initial evaluation of patients with presentation and evaluation by cardiologist
 - Follow up to established plans of care
 - Apply to both office and inpatient settings
- Anticipated outcomes
 - Professionally fulfilled cardiologists and PAs
 - Enhanced patient access
 - Increased practice revenue (outperforms increased expense)

APP Integration and Utilization - Examples

- Health system owned, solo physician family medicine practice in underserved, rural Health Professional Shortage Area with 3-month wait for a new patient appointment and productivity at 90th percentile
 - Difficult physician recruitment
 - System part of a CIN with MSSP ACO anticipating greater risk assumption
- Advice
 - Explore PCMH care delivery model principles to serve as framework for clinical practice transformation
 - Establish NP role, scope
 - Hire NP with skill set and cultural fit to match ultimate plan
 - Plan conveyed during hiring process
 - Execute plan with NP initially focused on providing same day access and preventive/ wellness services

APP Integration and Utilization - Examples

- Advice (con't)
 - Simultaneously hire experienced RN to perform
 - Transitional Care Management in concert with health system
 - Create program that satisfies TCM claim submission and enhances practice revenue with “easier” face-to-face physician encounter and no extra physician effort
 - Medicare Initial Preventive Physical Examination (IPPE or “Welcome to Medicare” visit) and Medicare Annual Wellness Visits
 - Conducting just two per day covers RN compensation in most areas of country
 - While physician involvement required, patient services and revenues are enhanced beyond time invested
 - Anticipate quickly hiring 2nd NP (based on historical volume and perceived demand services)
 - Expand services rendered by NPs to management of patients with chronic stable conditions and introduce proactive population health services

APP Integration and Utilization - Examples

- Anticipated outcomes
 - Professionally fulfilled family physician, NPs, and RN
 - Enhanced patient access
 - Enhanced patient services and care coordination/management
 - Increased practice revenue (outperforms increased practice expense)
 - Fulfilled community and health system need

Bottom Line

- Future provider supply and evolving care delivery models predict increasing utilization of APPs in direct patient care
- APP utilization must be at maximum of capabilities and licensure
 - Invest in expanding those capabilities
- Incorporation of APPs in practices offer a number of advantages, including enhanced patient access, scope of services, and practice revenue
- The time is right to initiate or expand assimilation of APPs in practices

Questions?



About HSG

Who We Are

HSG builds high-performing physician networks so health systems can address complex changes with confidence. From boosting market power and financial strength to preparing for value-based care, we can help you define your strategy, implement that strategy, and manage your physician network short or long-term. We guarantee results and deliver the greatest value as a trusted member of your team.

Our Areas of Expertise



Physician Strategy

- Physician Alignment Strategy
- Strategic Plans with Physician Focus
- Employed Group Strategy
- Service Line Strategy
- Service Line Co-Management
- Physician Manpower Plans
- Affiliation Strategy



Physician Network Optimization

- Network Management & Advisory
- Interim Management
- Network Performance Improvement
- Creating Shared Vision
- Provider Productivity Systems
- Network Revenue Cycle
- Physician Compensation Planning
- Practice Acquisitions
- Fair Market Value Opinions
- Executive Recruiting
- Referral Capture Improvement



Value-Based Care

- Practice Transformation
- ACO Development
- ACO Optimization
- Clinical Integration Strategy
- Direct Contracting