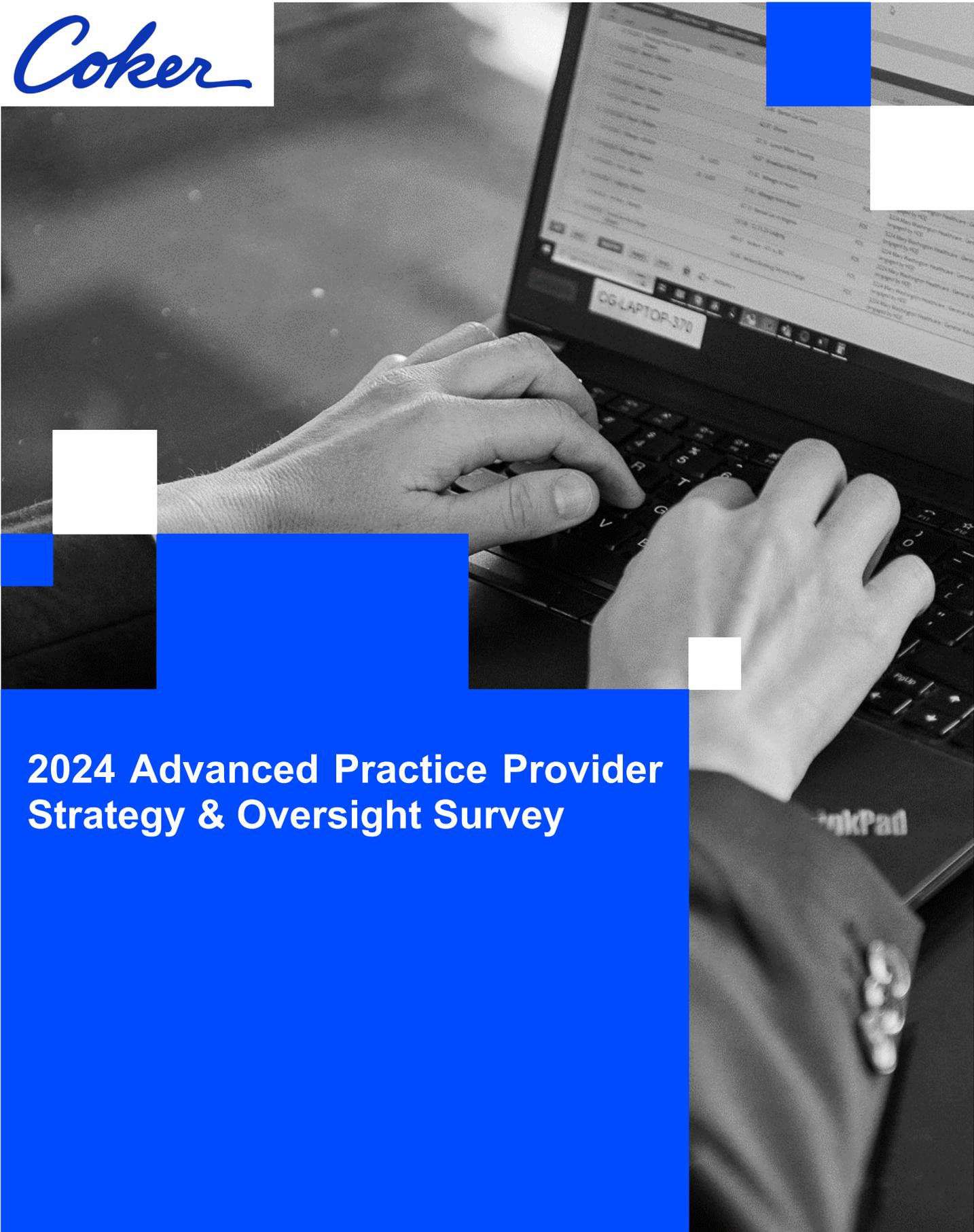


Coker



2024 Advanced Practice Provider Strategy & Oversight Survey

September 2024

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www.cokergroup.com

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Every day, we help our clients sustainably deliver quality care to their patients in a complex and ever-changing healthcare landscape.



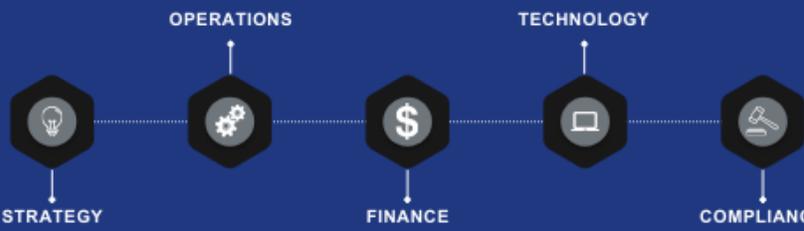
FOCUS
A team solely dedicated to the healthcare industry, ensuring deep expertise and attention to your unique needs



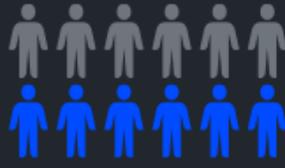
NATIONAL PRESENCE
Work completed across the country each year and team members in most states



VALUE
High-quality work at competitive rates, with our advisors focused on you every step of the way



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Coker is a proven partner in developing high-performing healthcare organizations so they can deliver high-quality care. Whether you need strategic, operational, financial, technological, or compliance assistance, we have been helping health systems and provider groups achieve their potential for more than three decades. Below are our key capabilities and solution areas.

Performance Transformation

Maximize ROI, improve financial performance, and enhance your operational efficiency.

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Protect against risks and exposure to keep your organization in the clear.

Executive Summary

According to the Bureau of Labor Statistics, employment of physician assistants¹ and advanced practice registered nurses (APRNs)² is expected to increase by 28 percent and 40 percent, respectively, between 2023 and 2033. These extraordinary growth forecasts for Advanced Practice Providers ("APPs") are the result of a number of causes, including, among others, a widening physician supply gap, increased access to healthcare in underprivileged areas, and the development of the clinical care model. However, there has historically been a dearth of industry data on their application and function in healthcare companies. We are, therefore, delighted to provide the results of our second Advanced Practice Provider Strategy and Oversight Survey.

Our goal in creating this survey was to fill some of the gaps in available data-driven information and to better understand industry best practices regarding specific topics related to the organization, compensation strategy, and oversight of APPs.

Utilizing APPs is vital to helping healthcare organizations expand patient access to care, close provider supply deficits, improve clinical quality and efficiency and support growth opportunities that can drive operational performance and sustainability.

While APPs can play an important part in supporting these aims, hiring APPs is difficult at this time. For seasoned APPs, hiring challenges are particularly prevalent. While respondents indicate that recruiting new APPs may be less difficult, the time investment involved with training and oversight of new APPs is much greater. The time investment trade-off is significant because the leading cause of physicians' hesitation to work with APPs is related to the time commitment involved.

Among the organizations in our survey with the applicable services, most have a specific strategy for increasing the utilization of primary, specialty, and (to a lesser extent) surgical care APPs. However, a majority of organizations with applicable service offerings lack a specific strategy for increasing the utilization of anesthesia, emergency medicine and other hospital-based APPs.

The following pages present the demographics of organizations and providers in our study, the results for each of the questions posed in the survey with our commentary and contact information for those who can provide additional content and materials related to APP strategy.

¹ Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Outlook Handbook*, Physician Assistants, at <https://www.bls.gov/ooh/healthcare/physician-assistants.htm> (visited August 30, 2024).

² Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Outlook Handbook*, Nurse Anesthetists, Nurse Midwives, and Nurse Practitioners, at <https://www.bls.gov/ooh/healthcare/nurse-anesthetists-nurse-midwives-and-nurse-practitioners.htm> (visited August 30, 2024).

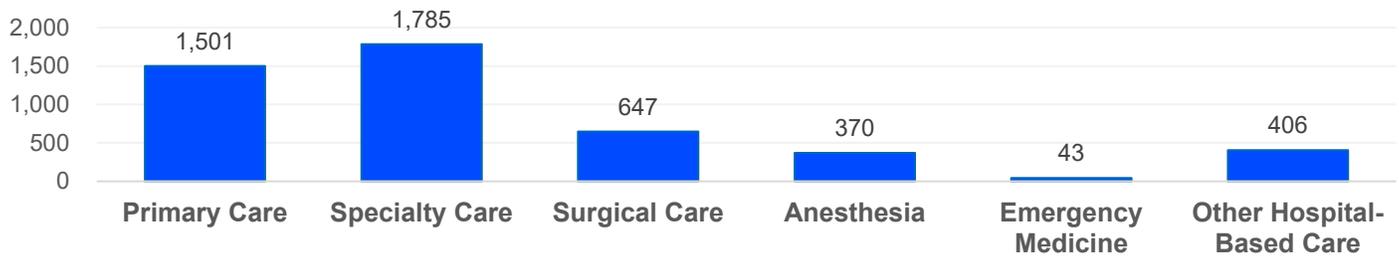
Demographic Information

Number of Organizations:

24

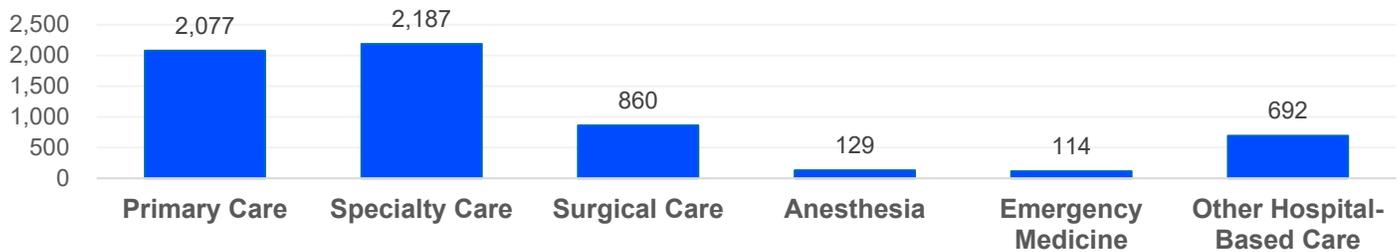
Number of Advanced Practice Providers Represented:

4,752



Number of Physicians Represented:

6,059



States Represented:

Alabama
Florida
Indiana
New Jersey
Ohio
Washington

Connecticut
Georgia
Kentucky
New York
Oklahoma

Delaware
Illinois
Michigan
North Carolina
Texas

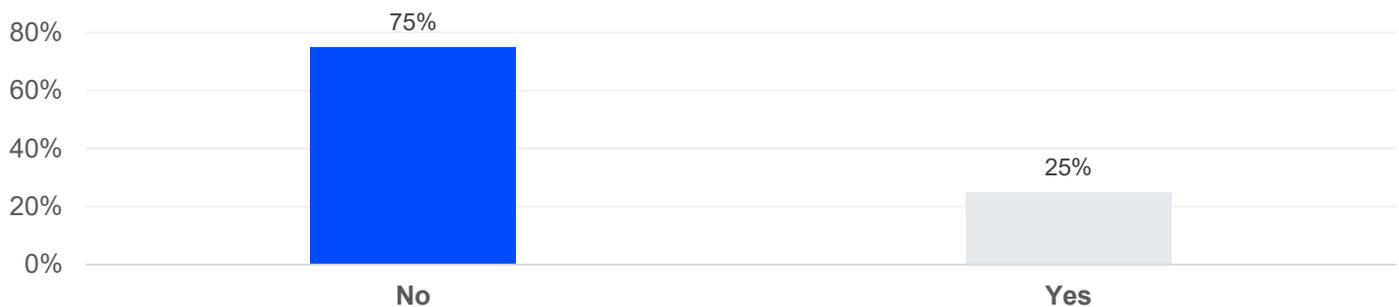
General Strategy and Recruitment

1. How are the majority of APPs organized in your organization?

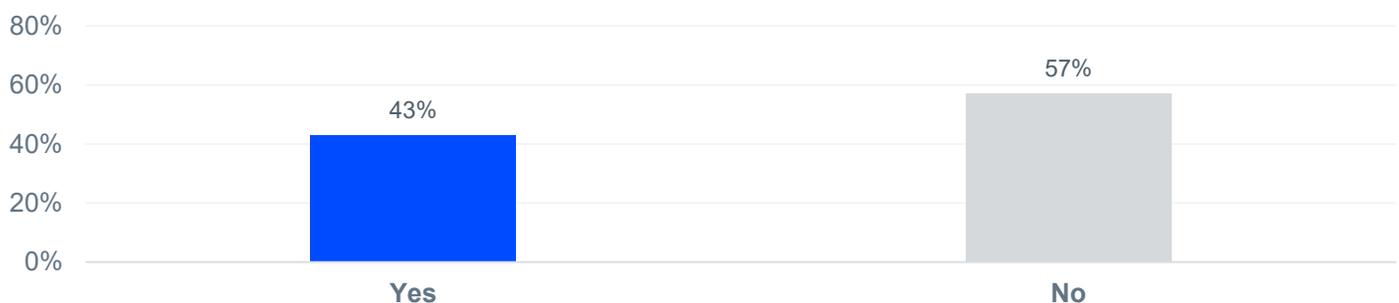


Among the responding organizations, 75 percent have APPs organized as part of the medical group. As demonstrated below, a further 25 percent of organizations have plans to shift APPs to their medical group in the near future.

2. If not part of the Medical Group currently, do you have plans to shift APPs to the Medical Group in the near future?

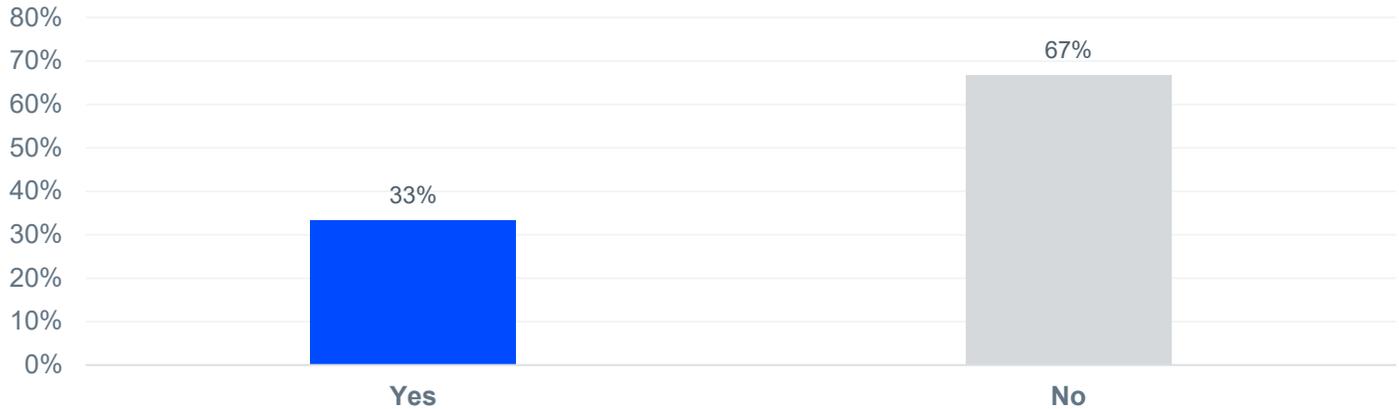


3. Are APPs required to sign employment agreements?



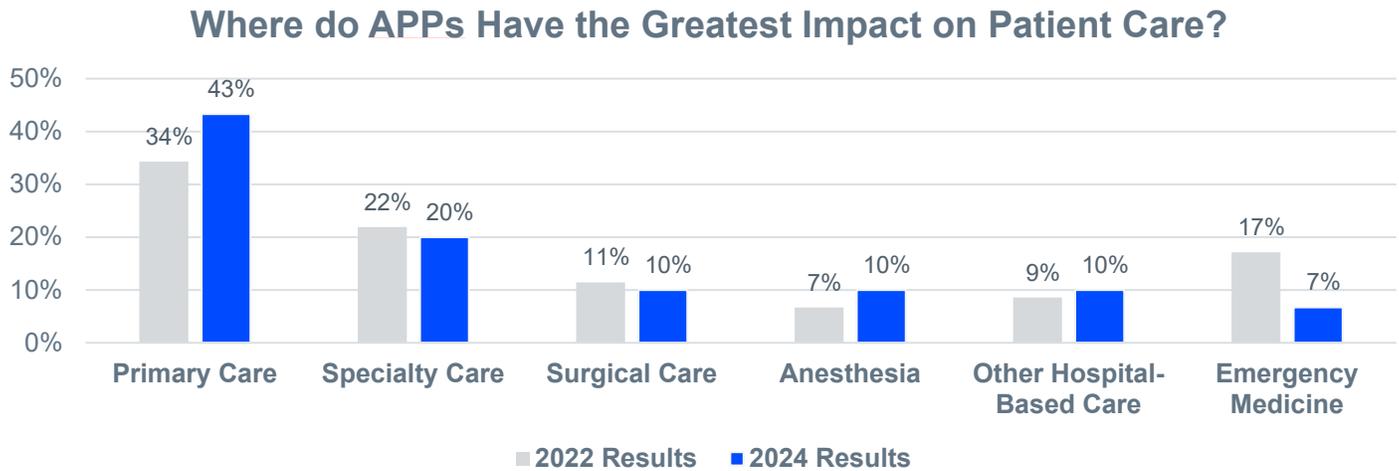
Of the responding organizations, 43 percent require employment agreements for their APPs. However, of the total number of APPs covered in the survey, more than half sign employment agreements, as larger organizations tend to have employment agreements in place.

4. Are APPs subject to non-competes?



Based on survey results, APPs are subject to non-competes 33 percent of the time.

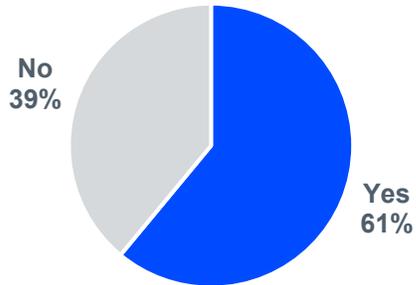
5. Where do you see APPs having the greatest impact on patient care right now?



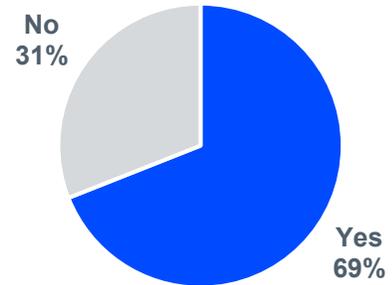
More than 43 percent of respondents reported primary care as having the greatest impact on patient care. Given the nature of primary care and the primary care providers’ role as the “first line of defense” in healthcare, the importance of the specialty is consistently demonstrated throughout the rest of the survey. We note this represents a fairly substantial increase from our prior survey results.

6. Do you have a specific strategy for increasing the utilization of APPs in the future?

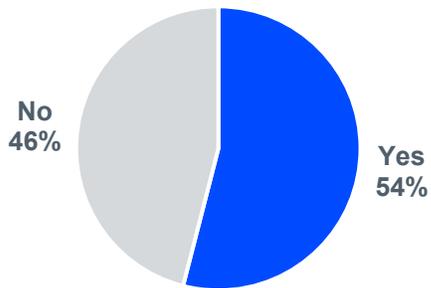
Primary Care



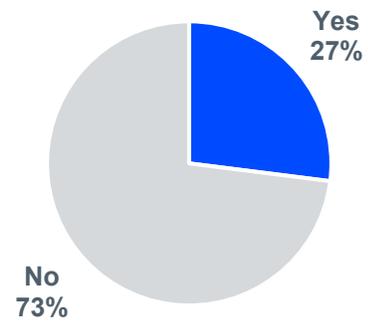
Specialty Care



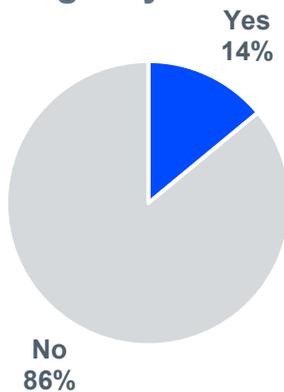
Surgical Care



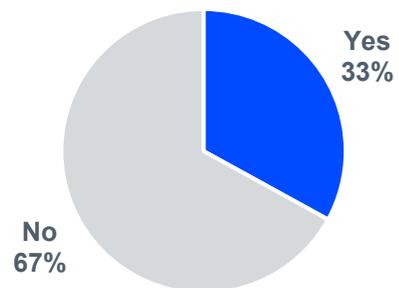
Anesthesia



Emergency Medicine



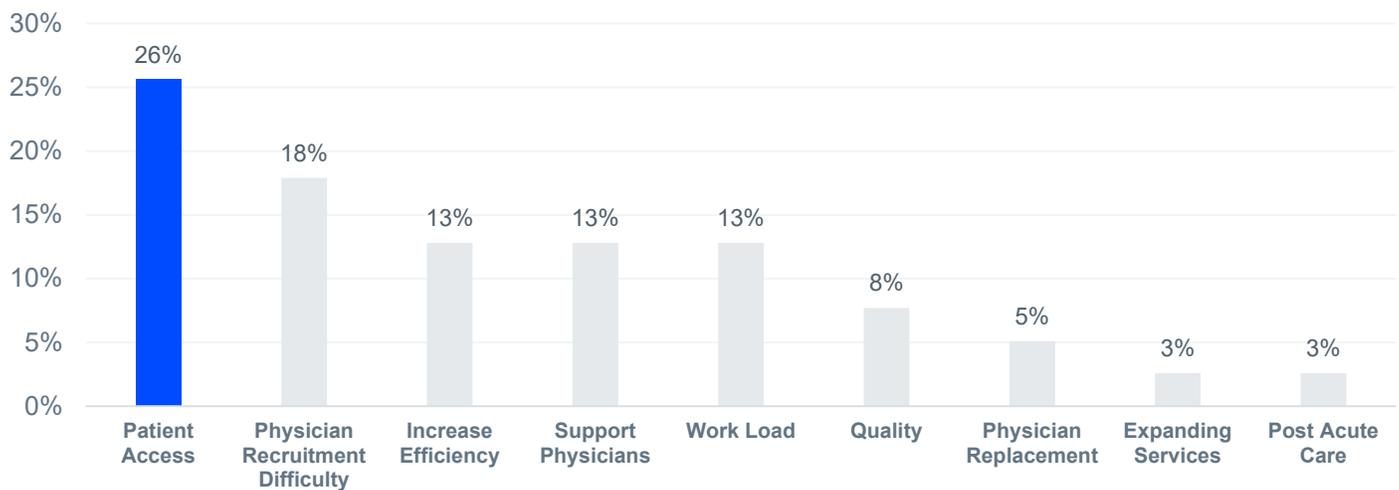
Other Hospital-Based Care



As noted in our executive summary, most organizations in our survey have a specific strategy for increasing the utilization of primary, specialty, and (to a lesser extent) surgical care APPs. However, a majority of organizations with applicable service offerings lack a specific strategy for increasing the utilization of anesthesia, emergency medicine and other hospital-based APPs.

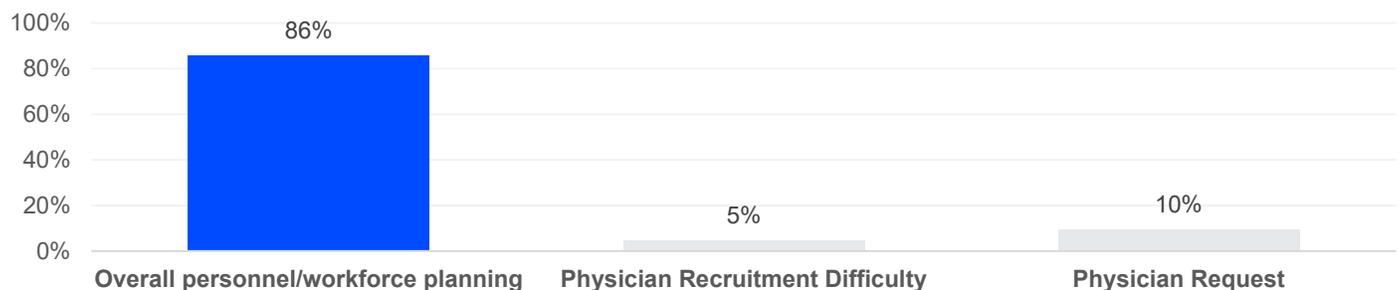
Of note, fewer organizations reported having specific strategies in place for increasing APP utilization across all specialty groupings, except surgical care, compared to 2022.

7. If yes for any of the above, what are the key drivers for your strategy to increase utilization of APPs?



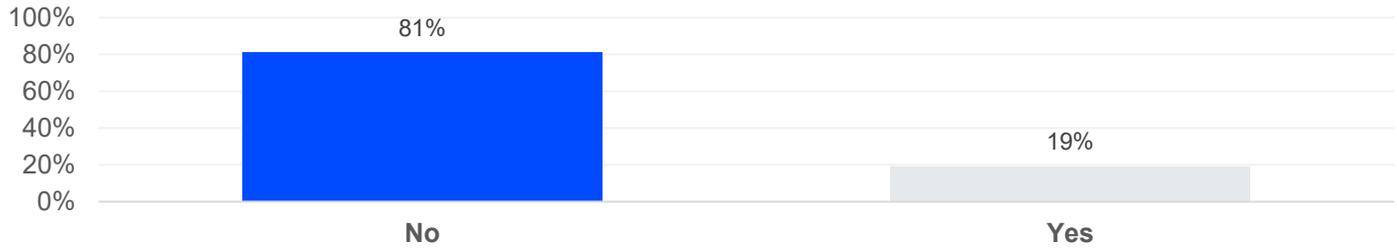
For specialties other than primary care, we note that the addition of APPs appears to be motivated by improving access within primary, specialty, and surgical care, whereas improving efficiency and mitigating physician recruitment difficulties were the primary drivers for hospital-based specialty groups.

8. What dictates when you add an APP?



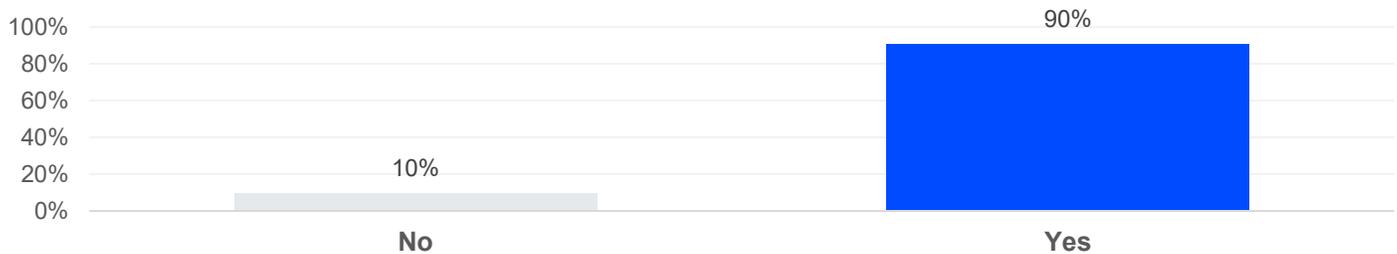
Organizations are primarily adding APPs as part of their general workforce planning, garnering 86 percent of the total response rate, up from 76 percent in 2022.

9. Is recruitment of new (inexperienced) APPs difficult right now?



Just over 80 percent of respondents say recruiting inexperienced APPs is not particularly difficult currently, suggesting recruitment of new APPs may be getting easier compared to 2022 when less than two-thirds of respondents felt this way.

10. Is recruitment of experienced APPs difficult right now?



In contrast to inexperienced APP recruitment, 90 percent of organizations say recruiting experienced APPs is difficult currently, up from 75 percent responding similarly in 2022.

11. What are the current top three most challenging APP specialties to recruit?

Specialty	Response %
CRNA	11%
Primary Care	11%
Psychiatry/ Mental Health/ Behavioral Health	9%

The list of the top three most challenging specialties to recruit is unchanged from 2022, though CRNAs are now tied with primary care for the top spot. Consistent with our prior survey, the list of difficult-to-recruit specialties was longer and more spread out than the easier-to-recruit specialties. Of note, primary care was included at the top of both lists.

12. What are the three easiest APP specialties to recruit right now?

Specialty	Response %
Primary Care	39%
Cardiology	13%
Hospitalists	13%

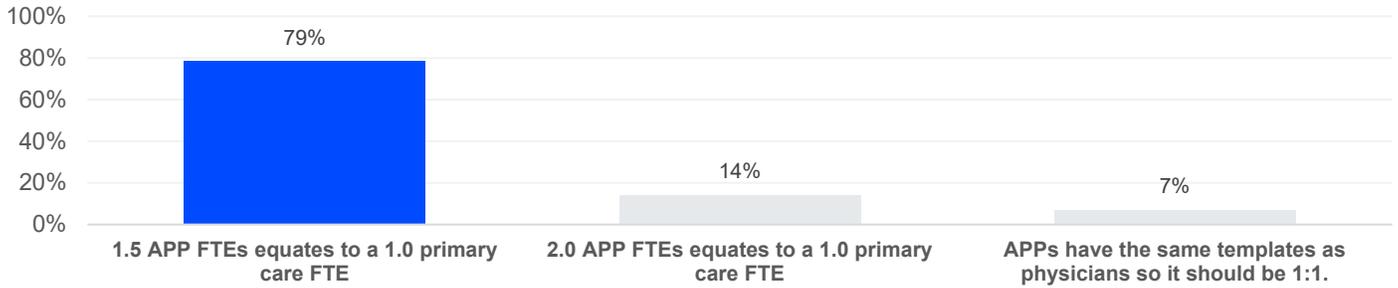
Primary care took the top spot on this list by a wide margin. Based on comments in the survey and discussions with various organizations, we believe primary care may be taking the top spot on both lists for different reasons. While relatively inexperienced primary care APPs may be easier to come by, highly experienced APPs can be much more difficult to find and recruit. Cardiology-focused APPs again make the list, and hospitalist APPs, which garnered less than 3 percent of the total response in 2022, are now tied for second.

13. What is the average panel size for primary care providers at your organization?



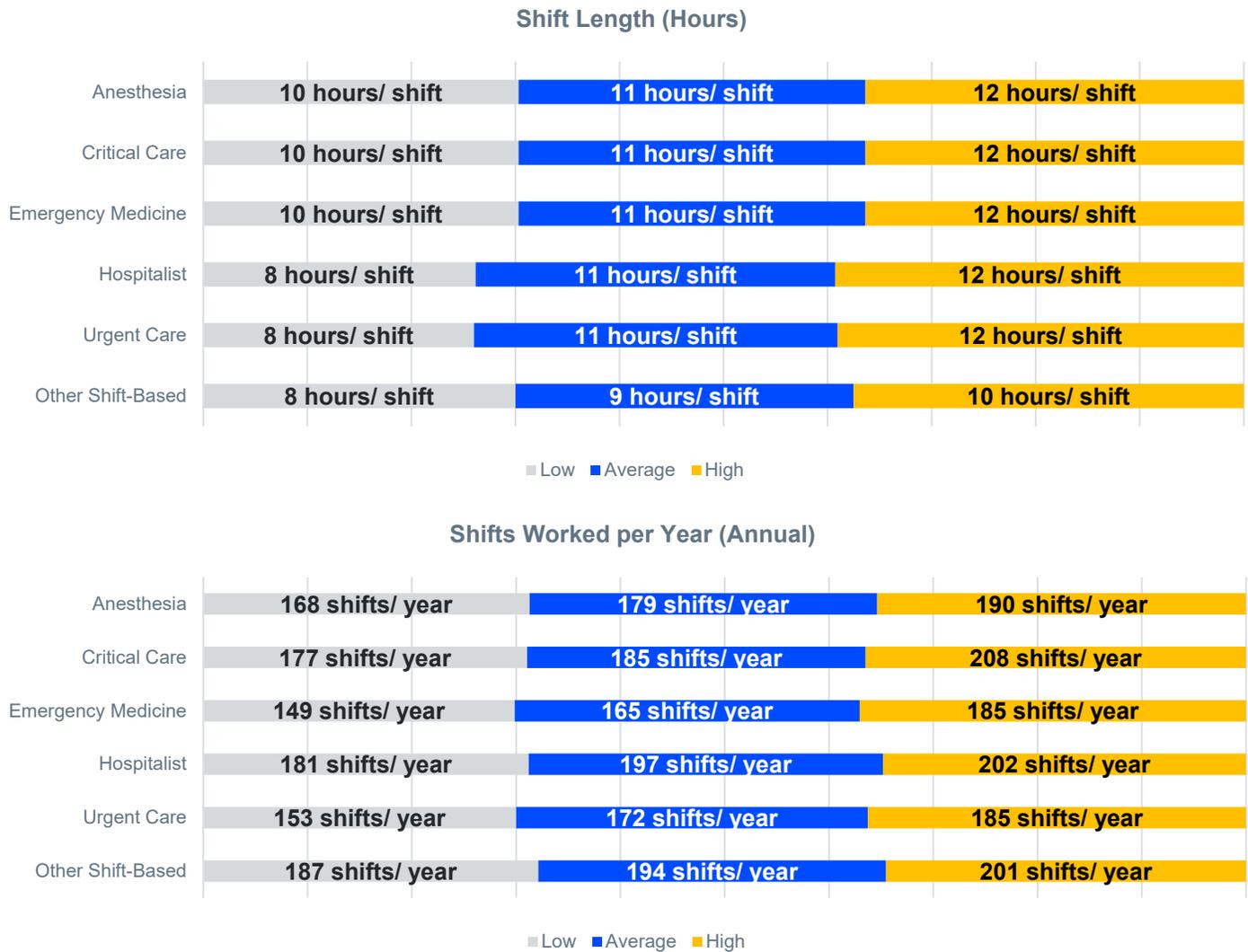
Both APP panel sizes and physician panel sizes are seeing shifts toward central tendency in the latest survey results. Organizations are reporting a larger number of APP panels in the 1,001 – 1,500 patient range than in our previous results. Organizations are reporting a larger number of physician panels in the 1,501 – 2,000 patient range than in our previous results.

14. Regarding provider recruitment within primary care, how many APPs would be required to manage a physician’s expected panel of patients?



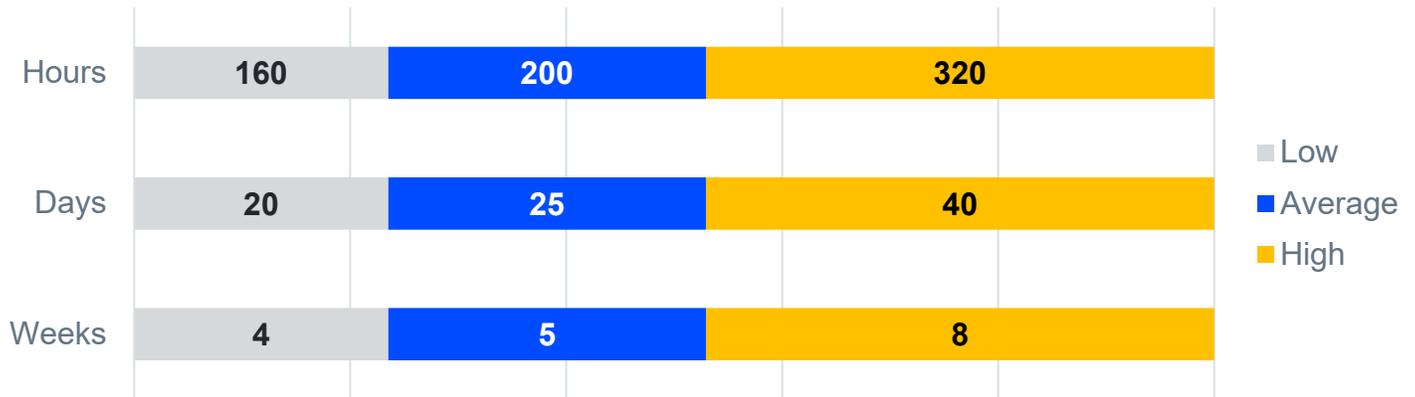
New this year, we asked organizations to indicate how many APPs would be needed to manage a physician’s expected panel of patients. Nearly 80 percent of respondents said 1.5 APP FTEs would be required to manage a similar panel as a 1.0 physician FTE.

15. What are the shift lengths and work expectations among hospital-based and time-based APP specialties?



Time-focused APPs work an average of 182 shifts per year, although there is variation with lower shifts required for emergency medicine and urgent care. Shift lengths typically range from 10 – 12 hours, with some 8-hour shifts reported.

16. What is the low, average, and high APP annual time off by hours, days, and weeks?



Annual time off ranges from 160 – 320 hours per year, averaging 200 hours per year. Results are fairly consistent by specialty rollup (i.e., primary care, specialty care, etc.), but we would expect the time off to be aligned with the work expectation. For example, urgent care and emergency medicine may have less annual time off due to lower annual work expectations.

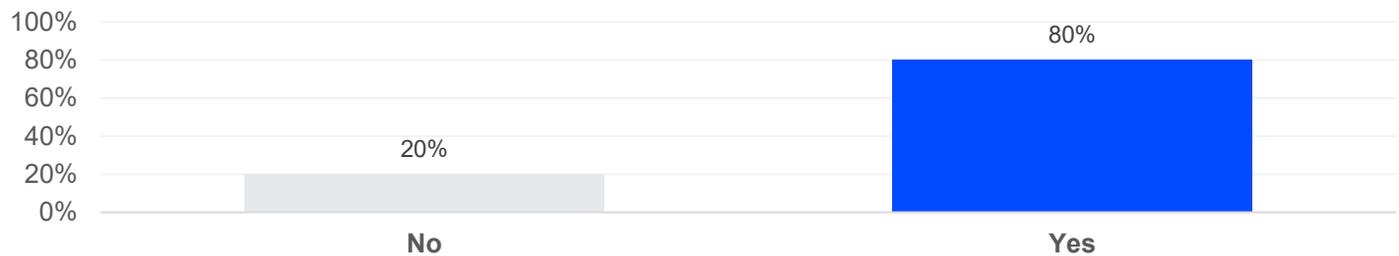
APP Compensation Strategy

17. Do you have a comprehensive compensation strategy for your APPs?



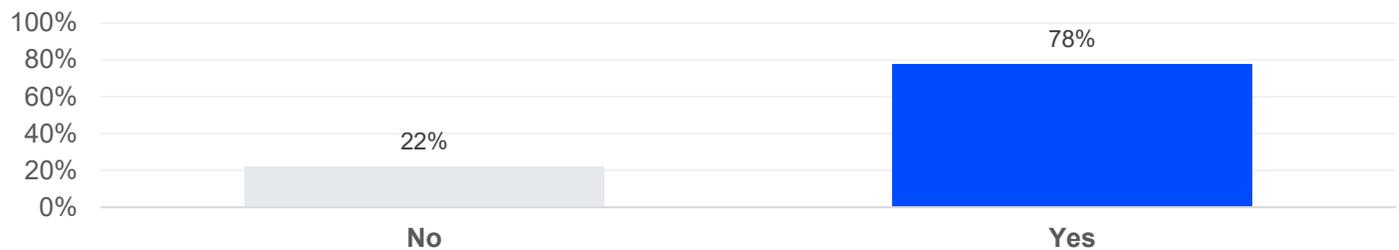
Nearly two-thirds of the responding organizations have a comprehensive compensation strategy in place for their APPs. Similar to recruitment strategies, this represents a fairly substantial decrease from 2022, when nearly three-fourths of respondents said they had a comprehensive compensation strategy in place for APPs.

18. Have you revised your APP compensation strategy in the last three years?



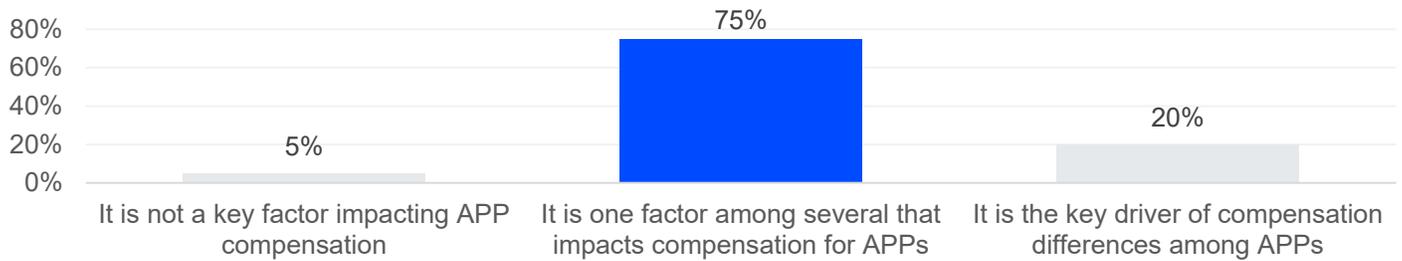
Of the responding organizations, 80 percent have revised their APP compensation strategy in the last three years. This compares with 53 percent of organizations reporting to have revised their APP compensation strategy during the three years prior to Coker’s 2022 survey.

19. If you have not revised your APP compensation strategy in the last three years, do you plan to do so within the next 24 months?



Of the organizations that have not revised their APP compensation strategy in the last three years, most plan to revise their strategy within the next two years.

20. What role does tenure/ experience play in driving APP compensation within a given specialty?



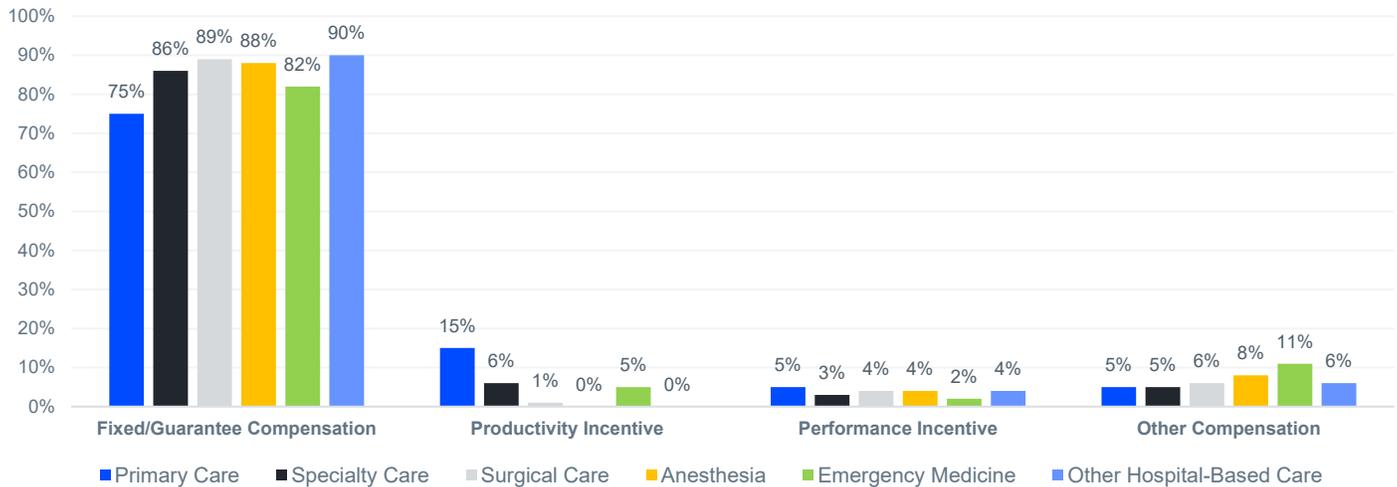
While APP experience/ tenure is overwhelmingly considered a factor that impacts APP compensation, the majority of organizations in our study consider it as just one of several factors, consistent with our 2022 results.

21. When considering the experience of APPs, is prior nursing experience taken into consideration?



Organizations that consider the experience of APPs as a factor in determining compensation are split when it comes to including prior nursing experience, with 58 percent counting nursing experience (broadly in line with 2022).

22. What is the average percentage of total cash compensation opportunity that is related to different types of compensation?



Consistent with Coker’s experience, primary care APPs tend to have a higher percentage of their compensation tied to incentives (panel size and wRVU productivity compensation and performance incentives) or other bonus compensation.

Interestingly, this year we are seeing a trend within emergency medicine for APP compensation to include a higher level of other compensation compared to 2022. Traditionally, hospital/ shift-based specialties see high levels of fixed/ guaranteed compensation models.

23. Do you pay a stipend or premium for lead APPs?



New this year, we asked a couple of questions regarding lead APPs. Similar to what Coker often sees in practice, most organizations do not pay a specific premium for lead APPs. Our experience is that this is based on a couple of factors. First, lead APPs are usually more experienced and already receiving higher compensation than less experienced peers. Second, the administrative duties the lead APPs take on are not revenue-generating and any stipends that are paid are largely to offset any decrease in productivity-based compensation.

24. Do lead APPs have a formal description of duties or an informal named position?



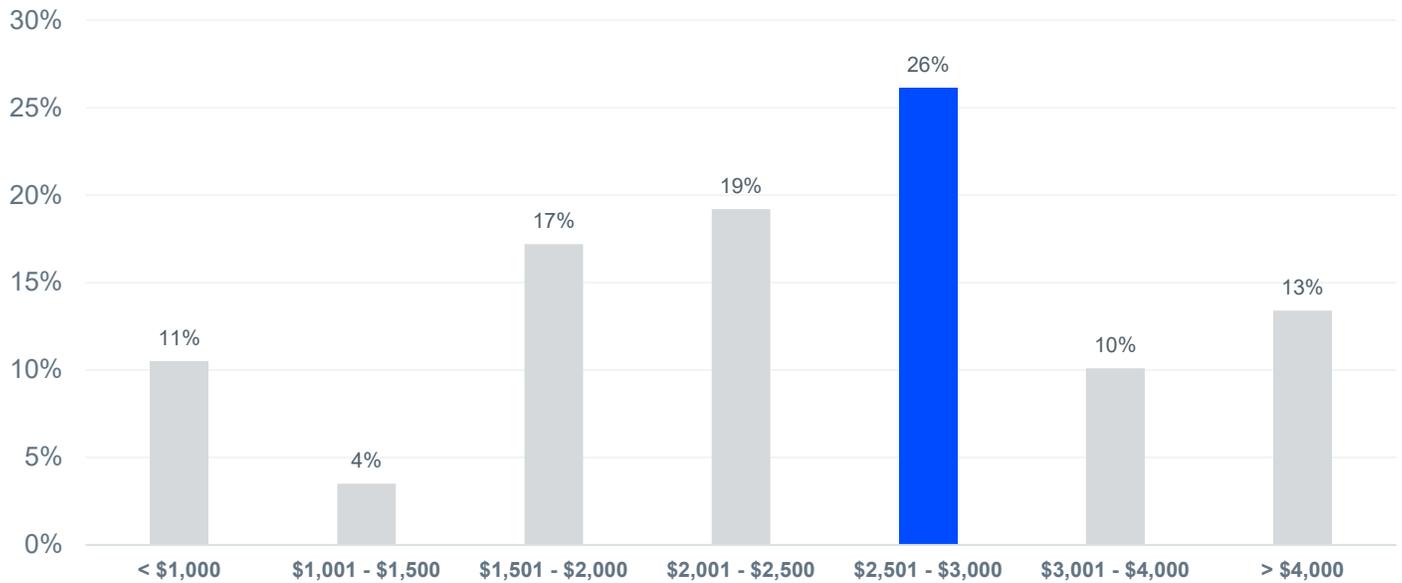
A large majority of respondents indicated they have a formal description of duties undertaken by lead APPs.

25. Do you pay a stipend or premium for additional credentials or certifications?



Organizations rarely provide incremental pay for additional APP credentials or certifications, with just over 10 percent reporting additional compensation for such.

26. What is the average annual amount of continuing medical education allowance provided to full-time APPs?



Nearly all responding organizations provide APPs with an allowance for continuing medical education (CME), with \$2,501 – \$3,000 being the most common range.

APP Oversight

27. Do you let physicians choose if they work with APPs?



Physicians are typically given the option of utilizing APPs to cover certain responsibilities.

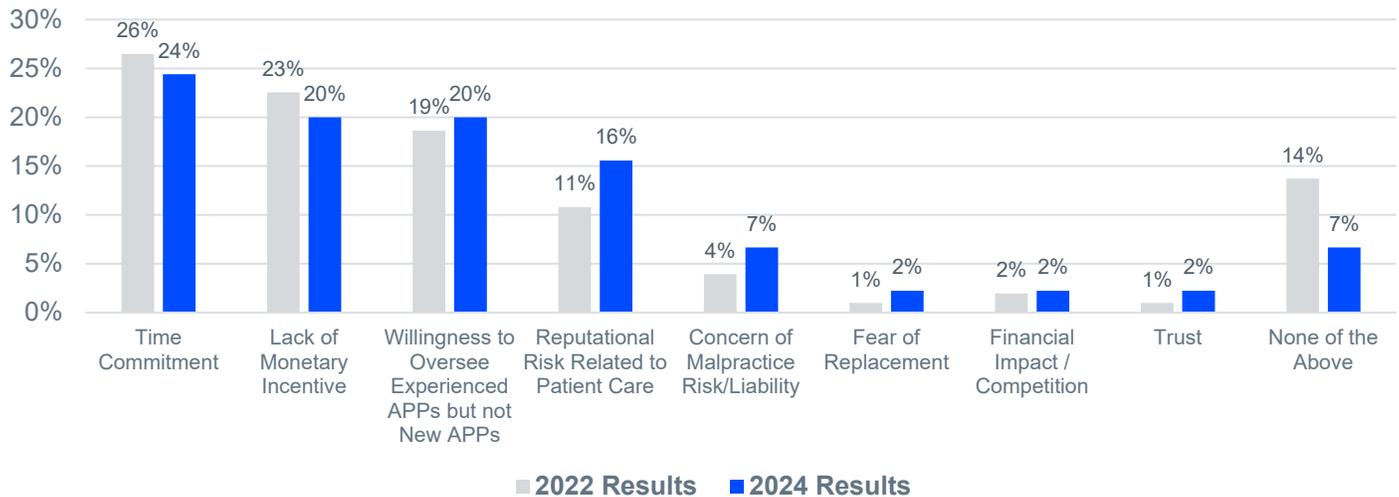
28. Have any of your physicians shown a hesitancy to work with APPs?



More than 70 percent of organizations report having physicians that are hesitant to utilize APPs for providing care. This hesitancy does not align with most organizations' perspective that higher APP utilization would increase access and quality of care.

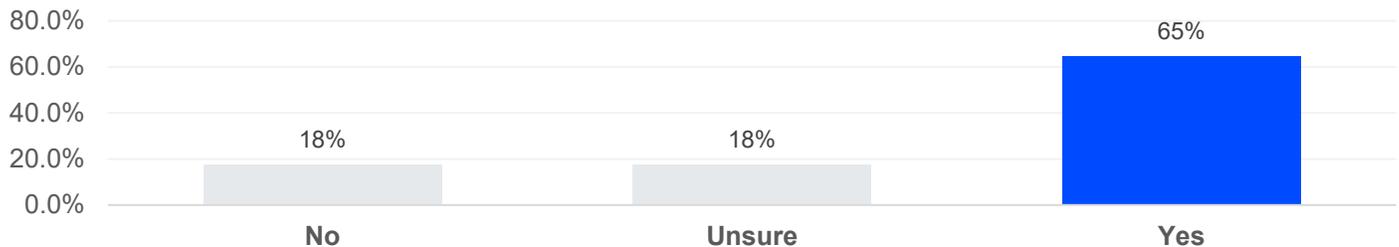
This also represents a significant increase in the percentage of physicians showing hesitancy to work with APPs from our prior survey, in which there was an almost equal split between the yes and no categories. Consistent with the prior survey, we see differences geographically, where physicians in the South and Midwest are more likely to show hesitancy in working with APPs.

29. What barriers exist to physicians' willingness to provide APP oversight?



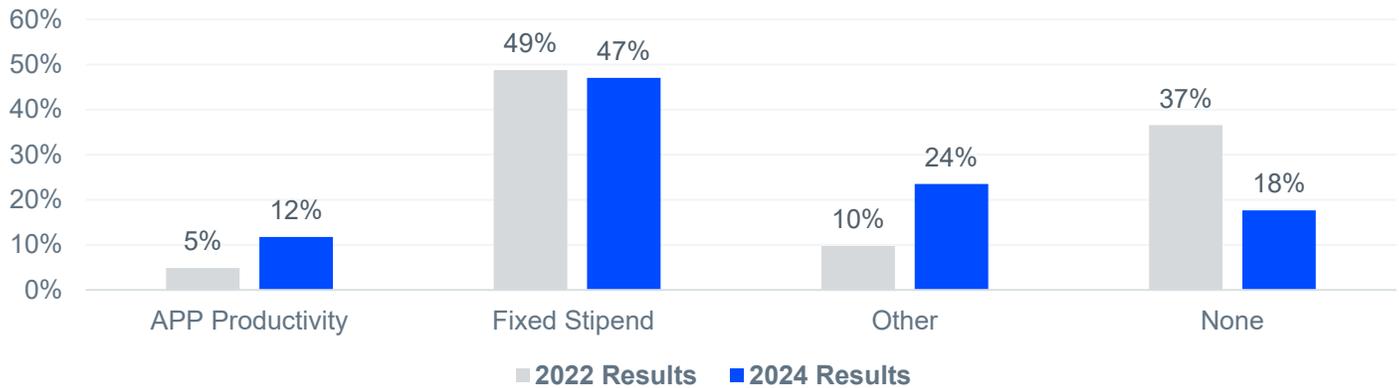
Time commitment remains the largest single barrier to physicians' willingness to oversee APPs; however, various forms of perceived risk also weigh heavily here, from the risk associated with overseeing inexperienced APPs, to reputational risk with patients to some citing concern about malpractice risk.

30. Does the amount of oversight compensation impact physicians' willingness to supervise APPs?



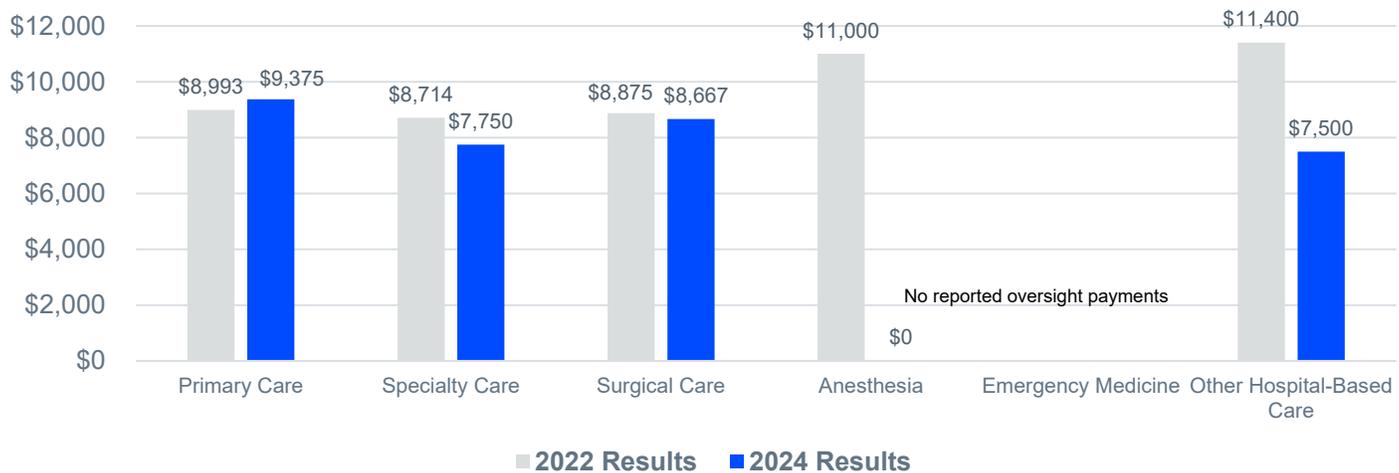
Potentially offsetting one of the larger barriers cited in the results of the prior question, a majority of organizations say the amount of oversight compensation influences physicians' willingness to supervise APPs. However, the time commitment and perceived risks associated with overseeing inexperienced APPs could be a strong deterrent, even if oversight compensation is adequate.

31. What is the primary approach to APP oversight compensation?



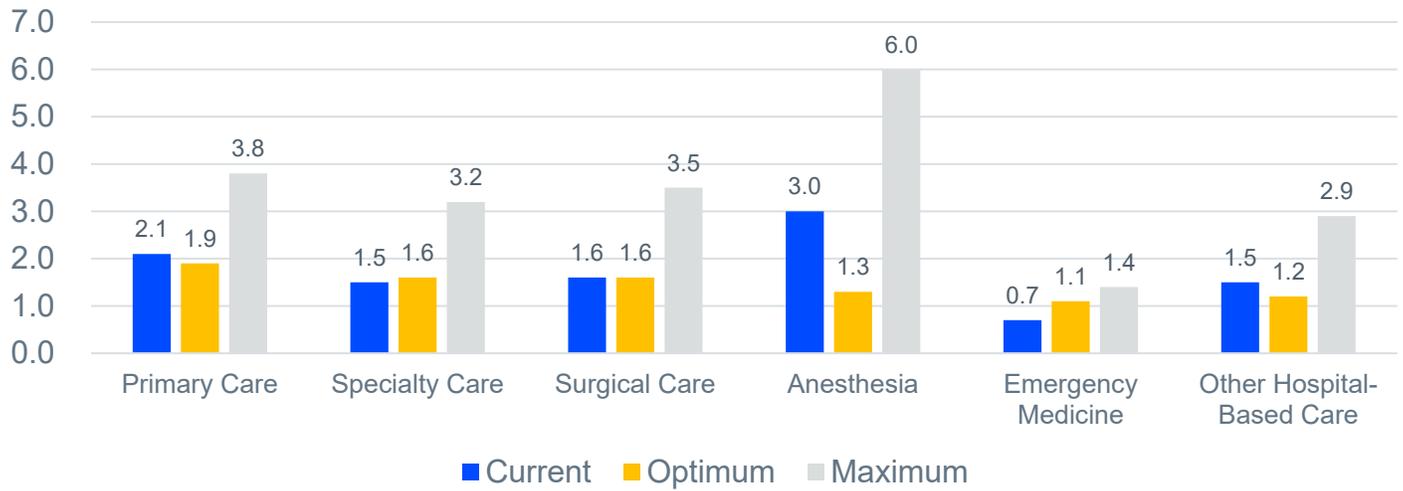
Generally, payments to physicians for APP oversight appear to be increasingly common, with 82 percent of respondents reporting oversight payments compared to 63 percent in the 2022 survey. Physicians who receive compensation for APP supervision are overwhelmingly paid a fixed stipend.

32. What is the average compensation per FTE APP that physicians receive for APP oversight/ supervision?



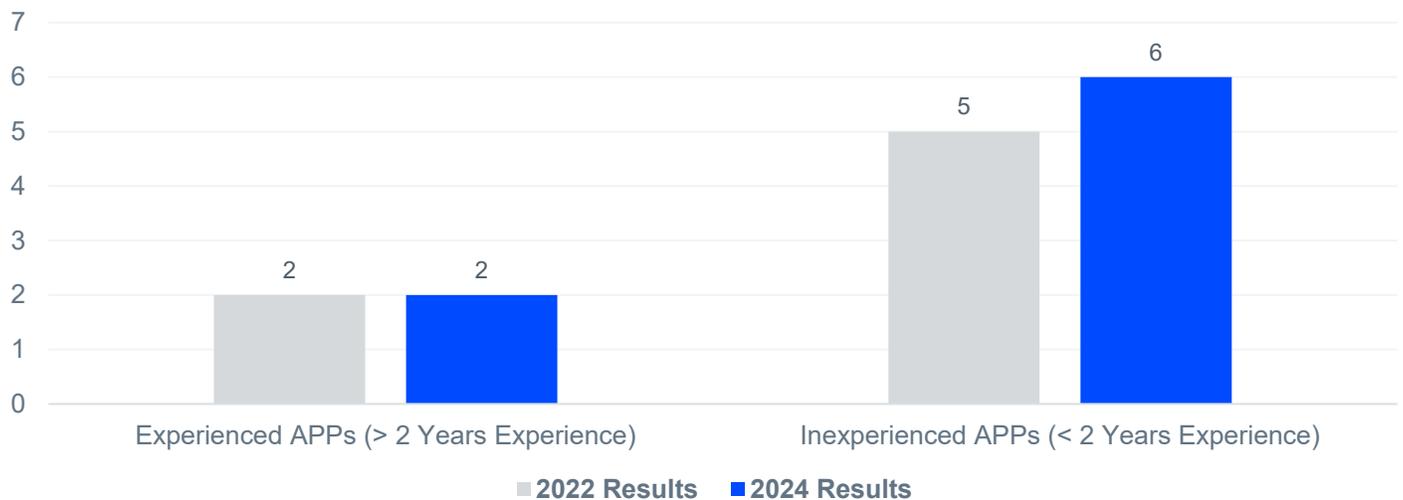
APP oversight payments made to physicians are most frequently observed in primary care and average \$9,375, which is approximately 4 percent above what was reported in 2022. We note that physicians receiving oversight payments are more commonly associated with larger organizations.

33. What is the average number of APPs your physicians currently supervise vs. the maximum number of APPs a physician might supervise?



Most organizations believe their physicians could oversee more APPs than they currently do, though we presume this may be highly dependent on the experience level of APPs being supervised. As it relates especially to both primary care and anesthesia specialties, several organizations believe their physicians could oversee significantly more APPs if needed. However, most organizations report their physicians are overseeing close to optimal numbers of APPs currently.

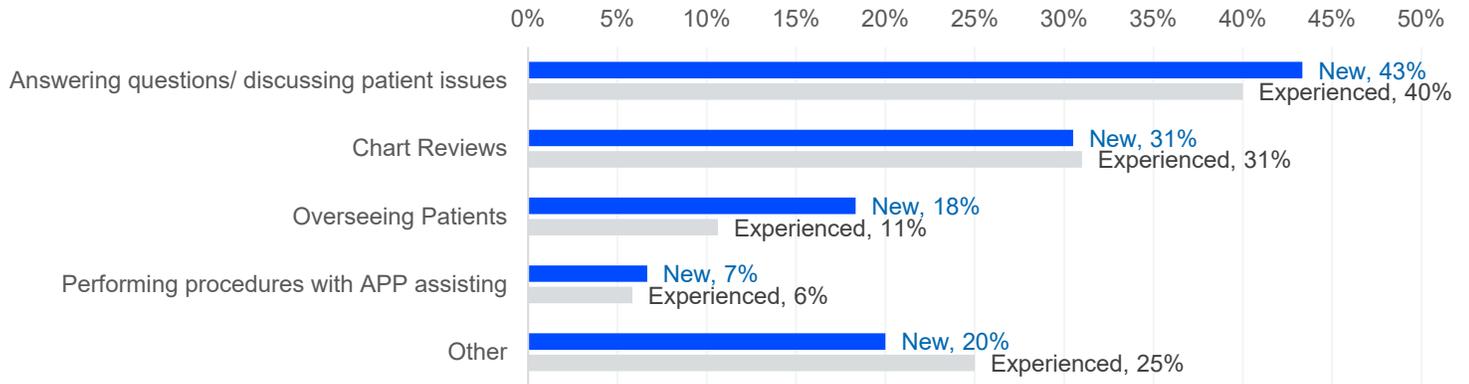
34. How many hours per week do physicians spend on APP supervision duties (per APP)?



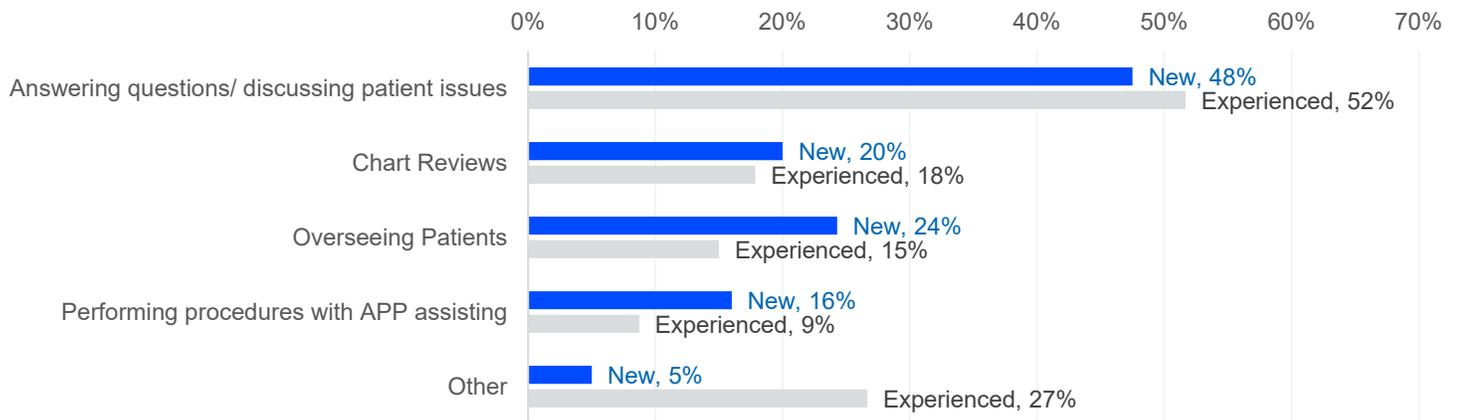
The time commitment physicians spend on APP oversight varies based on experience, where the median time spent supervising inexperienced APPs is 3.0x higher than supervising experienced APPs.

35. Of the hours spent on new APP supervision, what is the average percentage of the physicians' time spent on the following activities?

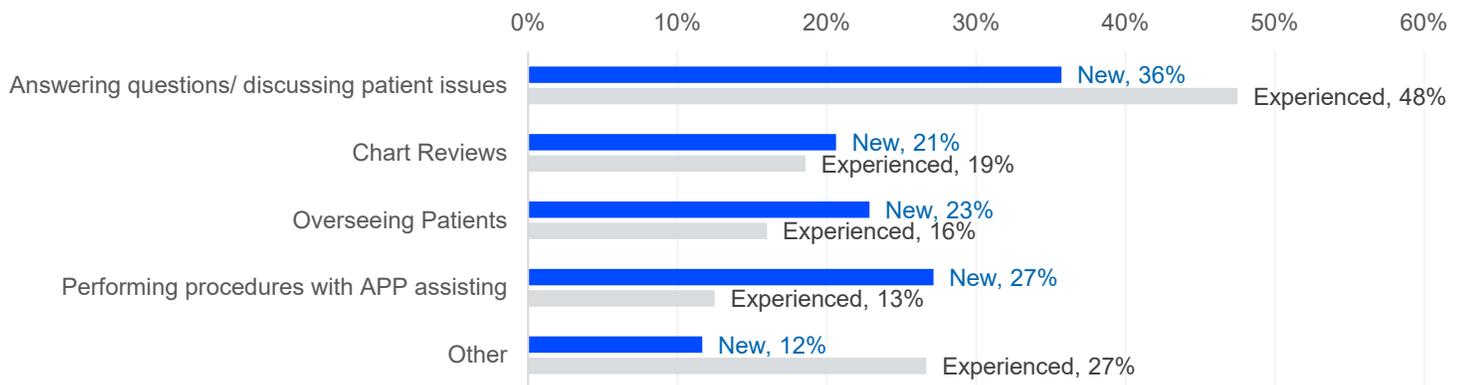
Primary Care



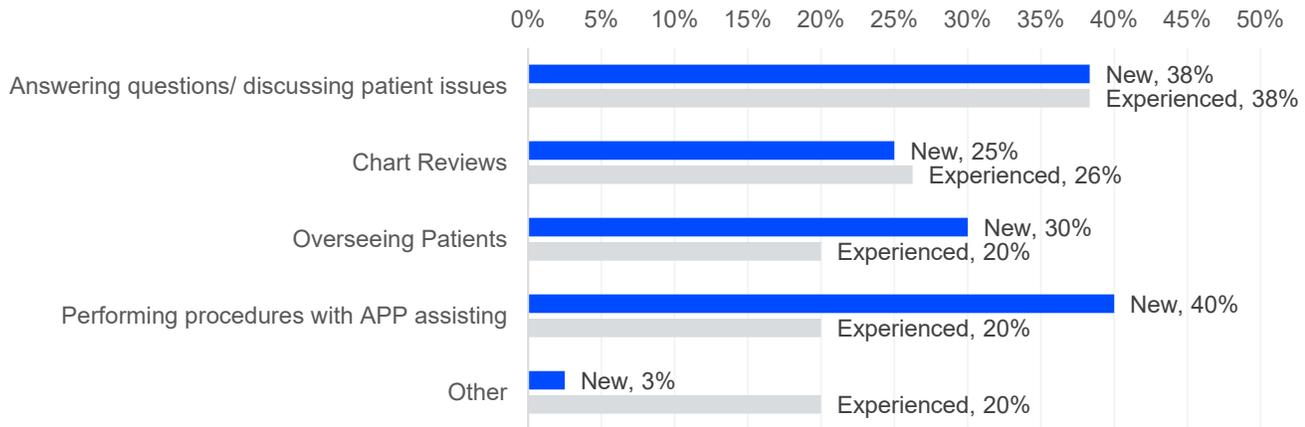
Specialty Care



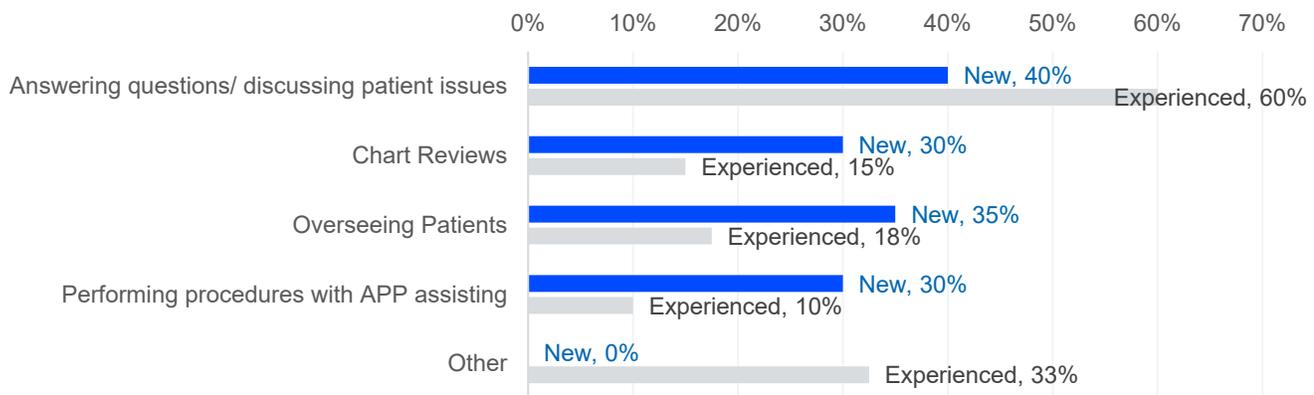
Surgical Care



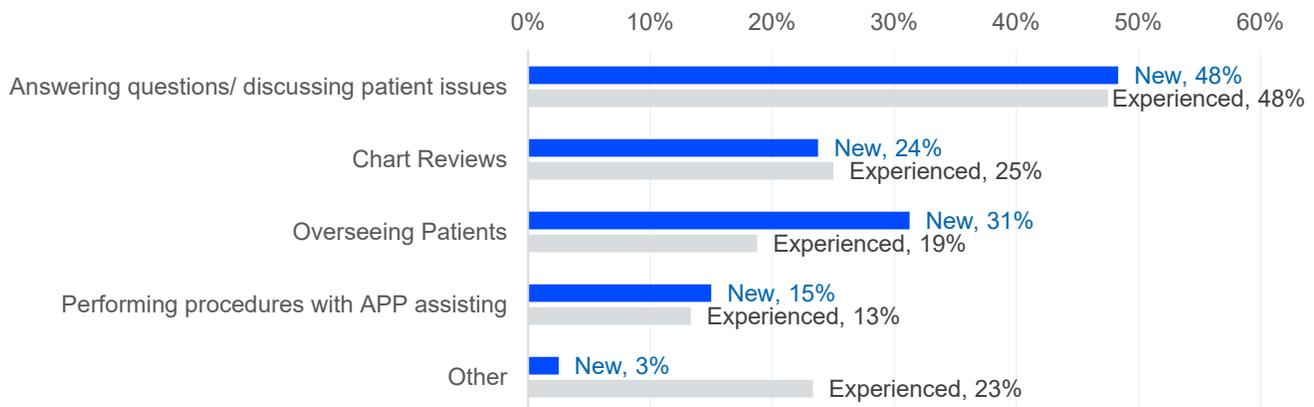
Anesthesia Care



Emergency Medicine



Other Hospital-Based Care



Within the survey questionnaire, we defined “New” APPs as having less than two years' experience vs. “Experienced” APPs with at least two years' experience.

General communication with APPs (answering questions and discussing patient issues) consumes the largest percentage of physicians' oversight time among all specialty groups. However, as expected, overseeing patients and performing procedures with APP assisting is a much greater percentage of the physicians' supervision requirements with new APPs across all specialty groupings.

Final Thoughts

We express our sincere gratitude to all the organizations who responded to our Advanced Practice Provider Strategy and Oversight Survey this year.

APPs are significant contributors to the goals of healthcare organizations, and we hope the results of this survey will bring insights that can be leveraged to help organizations recognize ways to better incorporate APPs, support physicians in their oversight and training roles with APPs, and spotlight key areas for healthcare leaders to be aware of when pursuing an APP strategy.

If you have any questions regarding this survey, please contact:

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