Making sure the dollars work for NPs in general practice

COLLEGE OF PRIMARY HEALTH CARE NURSES NZNO

The numbers have been crunched on how general practice can fund a nurse practitioner, writes **Kim Carter**


Kim Carter

Much has been said about implementing the nurse practitioner role in primary healthcare, but little has been done to assist potential employers to understand how the role can fit from a business perspective.

In response, the New Zealand College of Primary Health Care Nurses has been working to clarify the business case, including funding formulas, for establishing the nurse practitioner role within general practice.

Senior nursing roles (including nurse practitioner) are not explicitly part of the primary healthcare multi-employer collective agreement. However, these roles are identified in DHB collective agreements and sit within a framework of salary bands that reflect role responsibilities and complexities.

More than 50 nurse practitioners work in primary healthcare. DHB nurse practitioners work in many settings, including community and primary care, and an increasing number of nurse practitioners are employed in general practice through a variety of different arrangements.

No systematic approach has been used to establish these roles in general practice, and no assistance has been given to employers and nurse practitioners to understand the funding platform and opportunities.

Nurse practitioner roles in general practice are funded through various mechanisms, such as increased patient enrolment, ACC and clinical programmes (eg, Care Plus, sexual health and diabetes programmes).

The college believes ensuring the role sits comfortably and sustainably within general practice is good for patients and their whanau, and good for the business in which the nurse practitioner works.

> Data indicate the average time to a break-even financial position is 12 to 18 months

In the longer term, it is likely to be more sustainable for businesses to link the financial viability of the role to less variable income streams and not rely on clinical programmes funding and other demand-driven services, which can fluctuate.

Three-way funding formula

The college therefore suggests a business case be based on funding the position from increased patient enrolments, capitation, and the associated copayments and fees. This reflects both the increased workload capacity and capability the nurse practitioner position brings to the general practice team.

A number of variables, such as practice cost structures and model of care, affect implementation.

The proposed formula for a nurse practitioner position was initially developed by Canterbury GP Rob Seddon-Smith. It was refined collaboratively using a small sample of actual practice data. The formula consists of:

- Establish annual salary (ie, $110,000–$130,000 per annum full-time equivalent).
- Establish current mean capitation per patient per month, ie, total annual capitation income divided by number of enrolled patients divided by 12.
- Identify the number of enrolled patients required to fund salary using mean capitation figures, ie, monthly salary divided by monthly mean equals number of enrolled patients.
- Establish mean fees per patient per month (excluding immunisations, GMS, clinical programmes), ie, total annual fee and copayment income divided by number of enrolled patients divided by 12. (Note: Fees and copayments at approximately 50 per cent of capitation figures should adequately fund associated expenses.)

Investment costs and benefits

The financial modelling data indicate the average time to a break-even financial position is 12 to 18 months.

This time frame is reliant on factors including rate of new enrolments, model of care, fee and cost structure. Clinical programmes, immunisations, ACC and GMS income can be used to partially offset costs in the interim stages, as well as the potential offset of expenses through reduced locum cover requirements for GP leave.

The college has also completed a draft position description and individual employment agreement, which can be used by nurse practitioners and potential general practice employers to assist in developing and implementing new nurse practitioner roles. These documents are available on request.

Other useful information for employers and funders remains available online on the Health Workforce New Zealand website.

There is no doubt implementing a nurse practitioner position requires a significant investment by practice owners, especially in the initial period. But there are also significant clinical, service delivery and patient care benefits to be gained.

The demand for nurse practitioners is growing, and information on role implementation and funding will support employers to feel confident about utilising this skilled and valuable workforce. ■

Kim Carter is a registered nurse and director of Wood Street Surgery

Let's celebrate the expert generalists

RNZCGP

General practice is still seen as the runt of the litter of medical career options, but it's a special and invigorating career


Tim Malloy

> It's no secret medical school students are encouraged into other specialties

The new chair of the Royal College of General Practitioners tells it as she sees it.

On assuming the role last month, Maureen Baker was interviewed by *The Guardian* newspaper and, in a candid article, expressed her annoyance at the perception of GPs as second-class citizens – as gatekeepers simply referring patients to specialists.

Dr Baker says GPs' skills are very under-appreciated, a situation which could ultimately undermine their role.

I'm not sure this is the case for the New Zealand public, who consistently rate doctors among the most trusted professionals.

Flip the coin, though, and I would agree. It's no secret medical school students are encouraged into other specialties and general practice is often, and overtly, framed as the runt of the medical employment litter.

Curious, isn't it? The health sector is evolving, with primary and integrated care at the centre of the emerging model, yet fresh-faced students about to embark on their medical career are at times actively dissuaded from taking that path.

Yet, the World Organization of Family Doctors (WONCA) and the WHO want 50 per cent of medical graduates to become generalists.

This is something the medical schools in New Zealand say they are also keen to achieve. It is forward thinking, a recognition that the sector dynamics are changing, and an acknowledgement that they must take some of the responsibility for ensuring the medical profession as a whole is fit for purpose in the years ahead.

It is timely to be thinking about these issues. Last week, we welcomed the second intake of college-employed GPEP Year 1 registrars. This cohort has been through the system and made a conscious decision to build a career in general practice.

Where they will end up in 10, 20 or 40 years' time is the big unknown. We know the workforce, the health sector and society are changing in ways we cannot wholly predict, so not only have they chosen a career path, they have chosen one with little certainty in terms of dynamics. It is a bold move and I commend them for making their choices.

Much to celebrate

Why do people choose to become expert generalists, and why should we celebrate both their decision to do so and the impact they will have on thousands of lives?

A lot of it has to do with the style of medicine practised and the myriad choices available. As we know, it takes a special sort of person to be a GP. You're the first, and for some the only, interaction people have with the health profession. You can be the bearer of good news or bad, you usually provide a diagnosis but equally important are the comfort, reassurance and wise counsel you provide patients and their families.

Each patient comes through the door with their own unique problems and concerns and in many cases the real issues come to light only through talking to them and following the subtle leads they give. Additionally, you have the opportunity to add continuity to the health of individuals, families and communities for many years and can offer "whole of person" healthcare.

Work–life balance

I have mentioned before in this column that the work–life balance profile of the current, and probably future, generation of GPs will be very different from when I first started practising in the 1980s. Part-time work and flexible working hours will potentially have a negative impact on the delivery of health services, but again, if you flip the coin, you can make a strong argument that this is one of the reasons general practice is attractive.

Another aspect which should attract new GPs lies in the practice models that are becoming more common in terms of PHOs, large and integrated practices and practice ownership. This flexibility of employment is surely more attractive than the hospital setting where, as a rule, there is less variety. It also opens the door for gaining skills in other areas such as business management and governance.

Finally, let's address the old chestnut – money. Generally, GPs are very well paid, but as a rule not as well as some specialties. If money is the prime motivator, perhaps we are failing in our admission criteria to medical schools.

It would be fair to say all these aspects of GP life are not unique when looked at separately, but they certainly are when looked at as a whole. This combination makes a career as a GP special and invigorating and, as registrars understand this better, more of them will enter general practice for the right reasons.

May I wish all *New Zealand Doctor* readers and members of the college a safe and relaxing festive season. ■

Tim Malloy is president of the RNZCGP

@ **IN THE BRITISH PRESS**
***The Guardian*'s interview with RCGP chair Maureen Baker can be read at http://tinyurl.com/ml7k5w9**