Beginning Employment: A Guide for the New Nurse Practitioner

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ABSTRACT

You have successfully passed your national certification boards and are ready to seek employment. Just as the process from graduation to employment was a sequence of events, so is the process of beginning employment. This phase requires information on employment contracting, reimbursement, and coding, as well as insurance and hospital credentialing. The transition into this next phase of your career will depend on you and your future employer's experience with hiring a nurse practitioner. Even if the employer has experience, you will want to oversee that all of the pieces necessary for your success are put into place.

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Beginning employment is a process that requires structure and organization. It starts when you have accepted a position with a physician, nurse practitioner (NP), or health care organization. It requires that the job description is in alignment with the scope of practice. In states where applicable, a review of the mandated documents describing the parameters of the NP role and those required for prescriptive authority will also need to be reviewed.

THE EMPLOYMENT EXPERIENCE

This experience will vary depending on the employer's experience with NPs. If the employer has prior experience with NPs, your employment experience may be easier. The employment experience will also depend on the practice manager's experience with an advanced practice nurse. If there is no prior experience, you will need to take the lead role in ensuring that all the necessary documents are completed. There are many advantages to being the first NP in a practice. You can assume a leadership role and define the role as you feel best fits the practice. If you are joining another NP in the practice, you will still want to verify that all of your necessary paperwork is completed correctly.

Employment Contract

It is recommended to have an employment contract. The employment contract provides more details of the position, specifics regarding benefits, and details of the employment arrangement. The terms of the contract should be agreeable to both parties. Consideration should also be given to having an attorney draft and/or review before signing. Examples of contracts for NPs are available at http://j.moorern.tripod.com/sample-contract-for-negotiation.html or http://www.medscape.com/viewarticle/731359.

Salary Negotiation

If the employer has not previously had an NP in the practice, they may look to you for salary recommendations. You can determine initial projections of revenue generation by determining the number of patients (new and existing) that you might see in a single day, averaging the evaluation and management (E/M) codes (levels 1-4) for the daily average of patients, and multiplying the E/M average by the reimbursement amount.

You can provide your employer with an estimate of the initial numbers of patients you anticipate seeing, a second estimate at 6 months of employment, and a third estimate at 1 year. Salaries may be paid in a variety of ways (Table 1).

Table 1. Methods of Payment

Straight salary: fixed amount to perform according to the job description.

Percentage of net receipts: payment is based on the amount of NP bills minus accounts receivable minus the NP's portion of practice expenses (which may include expense of physician consultation).

Base salary plus percentage: base salary is guaranteed. Additional salary may be earned if income is generated over this set amount.

Hourly rate: payment is made only for the hours worked.

Data from Buppert.[1]

When negotiating a salary, remember there are practice expenses, which may range from 20%–50%, associated with your employment that will need to be adjusted from the revenue that you generate. Practice expenses include but are not limited to such items as malpractice insurance, support staff for the NP, and benefits negotiated in your contract (eg, vacation, continuing education, health insurance, and office supplies).[1]

References are available for determining salary ranges. The 2012 National Survey of NPs and physician assistants[2] and Salary.com[3] are good resources.

Malpractice Insurance
Malpractice insurance may be offered as part of your employment arrangement. If you are considering moonlighting or working a part-time position, you will want to purchase your own malpractice coverage. Claims made versus occurrence insurance will be your choices for malpractice insurance. The standard coverage is $1 million per event and $3 million maximum; specialty practices or high-risk practices may require a higher coverage limit. Occurrence covers any incident that occurred when the NP was insured. In the claims made policy, the NP is covered only when the insurance policy is active. Hospital credentialing usually requires a minimum of $1/$3 million coverage.

Hospital Credentialing
Your new role may require that you obtain hospital credentialing. The privileging process can take 6 weeks to 3 months. Depending on the organization, the application process may be initiated while you are

awaiting your certification results and finalized when you have your official notification of licensure from the Board of Nursing. Most credentialing applications require a substantial amount of information that, if organized in advance, will expedite your completion of the application process (Table 2). A period of focused professional practice evaluation is implemented for all individuals initially requesting privileges.[4] Reviewing the hospital bylaws for NPs is recommended.

REIMBURSEMENT
In order to be paid for your services, there are several applications that will need to be completed. Frequently these applications are completed by the practice manager. Most of the applications are available online.

National Provider Identifier
This application (http://www.nppes.cms.hhs.gov/) should be completed first because the other applications often require the National Provider Identifier number. Your number will be different than the group number that your practice uses. The Health Insurance Portability and Accountability Act of 1996 mandated a standard of unique identifiers for health care providers and health plans. The purpose

Table 2. Hospital Credentialing

State license number

Educational background

Certificate to prescribe/furnishing number if applicable

Employment background: be able to explain employment gaps

Medicare, Medicaid, Council for Affordable Quality Health Care, NPI numbers

Procedure logs

Professional references, usually 3

Practice information: phone and fax numbers, address, contact person

Standard care agreement

Continuing education hour log

Background check

Fingerprinting

National Practitioners Database inquiry

was to improve efficiency and effectiveness of the electronic transfer of health information. The Centers for Medicare & Medicaid Services has developed the National Plan and Provider Enumerator System to assign these unique identifiers. The application, per the Web site, takes approximately 20 minutes to complete[5] (Table 3).

Medicare Provider Enrollment

The Medicare paper application is CMS–855 (http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-List.html). As an alternative to the paper application, the Internet–based enrollment or Provider Enrollment, Chain, and Ownership System is a faster application process when compared with paper. The Web site states that the enrollment is an average of 45-60 days. The Provider Enrollment, Chain, and Ownership System allows a method that is easy to check and update. To enroll, you will need to have your National Provider Identifier number and password.[6]

Medicaid Application

The federal government has given most of the rule making and administrative duties for Medicaid to the individual states, and, in most situations, state law controls Medicaid activities.[7] When inquiring about your Medicaid application, be sure to specify Provider Relations and to ask for a provider application as an NP.[8]

Council for Affordable Quality Health Care Universal Provider Datasource

The Council for Affordable Quality Health Care Universal Provider Datasource was created in 2012 to simplify the provider credentialing process (http://www.caqh.org/). The council is a free service to providers. The application is followed by an online attestation process (every 120 days). This application allows, with the completion of 1 form, credentialing for most managed care programs (Table 4). Not all managed care programs allow NPs to be credentialed as providers. You should work with your state advanced practice organization and the American Association of Nurse Practitioners to continue to lobby for NPs to be credentialed as individual providers[9] (Table 5).

BILLING

Now that you have your appropriate third–party payer applications complete and have received your appropriate billing numbers, you are ready to be reimbursed for your services.

Medicare

When NPs bill under their own Medicare number, the reimbursement is at 85% of the physician fee schedule. This number can be used for billing both in the outpatient and inpatient settings.

Incident to Services

Incident to services is a billing term specific to Medicare. *Incident to* services are only billable in the

Table 3. National Provider Identifier

Social Security Number
Date of birth
State nursing license (Certificate of Authority)
Practice address(es), fax, and phone numbers

Table 4. Council for Affordable Quality Health Care Information

Educational chronology: entry and completion dates and addresses
References: 3 professional
Employment chronology: beginning and termination dates and addresses
Hospital address and phone number
Practice details: address, phone number, tax identification number, National Provider Identifier number
Copies of educational diplomas, malpractice face sheet, basic or advanced life support
Malpractice information: address and phone number
Workman's compensation number
NP license number/Drug Enforcement Agency, certificate to prescribe
W-9
Basic life support/advanced life support: dates
Billing contact information: address and phone number

Data from the Council for Affordable Quality Health Care.[9]

Table 5. Reimbursement Resources for New NPs

Name	Web Address
National Council of State Boards of Nursing	https://www.ncsbn.org/index.htm
AANP: reimbursement	http://www.aanp.org/practice/reimbursement
AANP: state practice environment	http://www.aanp.org/leglislation-regulation/state-practice-environment

office/outpatient setting. When NPs bill *incident to*, they will be reimbursed at 100% of the physician fee schedule.

There are specific requirements that make a visit eligible for this type of billing.[10] The service must be rendered in the physician's office under the "physician's direct personal supervision." This means that the "physician must be immediately available in the office suite to provide assistance and direction if needed."[7] Direct supervision does not mean that the physician must see the patient on that visit or that the physician must sign off on all documentation related to the visit. The physician in this instance must also do the initial visit/consult and see the patient on a frequency that supports that he/she is involved in the plan of care. *Incident to* service does not apply to hospital settings.

Split/Shared E/M Services

The setting in which this billing occurs is in a hospital inpatient/hospital outpatient or emergency department. This type of billing can be used when both the NP and physician from the same group have both had a face-to-face visit with the patient. If the physician participated in the visit by reviewing documentation and providing input, it cannot be billed as a split/shared E/M service. There must be a face-to-face with the patient. The split/shared E/M service cannot be reported in the skilled nursing facility/nursing facility setting.[8-12]

Other Third-Party Payers

Whether the reimbursement will be at 100% or at 85% will depend on the specific carriers. Please refer to specifics regarding their reimbursement for NP services. This is again another area that your state

Advanced Practice Nurse organization or American Academy of Nurse Practitioners can be effective in lobbying with insurance carriers for equality with billing.

Coding

According to Buppert,[1] the most frequently used Current Procedural Terminology codes in primary and specialty care are the E/M services. E/M coding represents the health care provider's cognitive skills and includes office or clinic visits, consultations, preventive medical examinations, and critical care services. The level of coding selected is based on the complexity of the visit. *International Classification of Diseases, Ninth Revision* codes or procedural codes such as minor suturing, echocardiograms, and ear irrigations are used in combination with E/M coding.[1]

There are many references available to assist the NP in selecting the appropriate E/M code for a new or established patient. Medical records should be reviewed periodically for the appropriateness of billing and coding. Over- and undercoding both constitute Medicare fraud. They may also represent lost revenue opportunities for the practice.

CONCLUSION

Everything is now in place for you to begin practicing as a valuable member of the health care team. For specific details on these topics, there are many textbooks available. Periodically review your personal goals. Develop a process for tracking all of your new numbers, from your certificate of authority through Medicare numbers. Monitor your renewal dates closely. Continue your lifelong learning in one of the most rewarding careers—an NP. JNP

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