

# PROFESSIONAL ISSUES

## ISSUE BRIEF



### HIRING A PHYSICIAN ASSISTANT — A BENEFIT FOR PHYSICIANS, PRACTICES AND PATIENTS

Physician assistants (PAs) have a generalist medical education and practice as part of a physician-led team. Each PA's scope of practice is defined by the supervising physician's delegation decisions, consistent with the PA's education and experience, facility policy, and state laws. PAs provide care in a variety of practice settings. Not only can PAs perform a range of diagnostic and therapeutic procedures, but they also enhance coordination of care and patient satisfaction.

PAs work in concert with physicians, complementing the physician's ability to deliver a comprehensive range of medical and surgical services to diverse patient populations. PAs' rigorous education, versatility and commitment to individualized treatment help physicians and practices function more efficiently and enhance continuity of health care.

Though more PAs are entering health care each year, there are still some common questions about the PA profession. These questions regard physician supervision

roles, PA prescribing capability, third-party reimbursement policies, malpractice coverage concerns and how to hire a PA.

### SUPERVISING A PA

The relationship between physicians and PAs is one of mutual trust and reliance. A PA practices medicine within the scope of the supervising physician, taking into account any specific restrictions delineated by state law or institutional policy. All states allow PAs to provide patient



### EASING PHYSICIAN WORKLOADS

PAs improve patient flow and free physicians to manage more complex or demanding cases.<sup>1-4</sup> An American Medical Association (AMA) survey found that PAs enhance practice efficiency: Solo practice physicians who employ PAs experience expanded practice, greater efficiency and greater access to care for their patients.<sup>5</sup>

### PA COST-EFFECTIVENESS

According to the Medical Group Management Association (MGMA), PAs generate revenues greater than what their compensation costs employers. The most recent report shows that for every dollar of charges a PA generates for the practice, the employer pays, on average, 30 cents to employ the PA.<sup>6</sup>

### BOOSTING PATIENT SATISFACTION

Hiring a PA enhances patient satisfaction.<sup>7-9</sup> A study by the Kaiser Foundation Research Institute reports high patient satisfaction levels for services provided by PAs, ranging between 86 and 96 percent.<sup>10</sup> Aspects of patient satisfaction examined included interpersonal care, confidence in provider and understanding of patient problems. Further, with a PA on staff, patient waiting times are decreased, improving patient satisfaction through increased access to health care.<sup>9</sup>

services in sites where the supervising physician is not physically present by requiring the physician to be available by telecommunication. However, there are a few specific exceptions when PAs and supervising physicians must be in the same practice location; check your state PA practice act for details. Within these guidelines, flexibility marks the physician-PA relationship.

The physician-PA team thrives in an environment of autonomy and mutual respect. In an effective team relationship, the physician trusts that the PA will consult him or her when necessary. Likewise, the PA feels confident that the physician will be available when needed, provide learned advice and undertake the care of patients with problems that are beyond the PA's expertise.

The AMA has established guidelines for physician-PA team practice, which are

available on the AAPA Web site at [www.aapa.org](http://www.aapa.org).

### PRESCRIBING

The legal authority for PAs to sign prescriptions has existed in some states since the 1970s. In recent years, the number of states recognizing the value of PA prescribing has greatly expanded.

All states, the District of Columbia, the Commonwealth of the Northern Mariana Islands and Guam permit physicians



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to delegate their prescriptive authority to PAs. When PAs have delegated prescriptive authority, it means that at a minimum, they can sign prescriptions for legend drugs without obtaining a physician co-signature. Nearly all states authorize PA prescribing of controlled substances, and PAs who prescribe controlled medications must obtain their own federal Drug Enforcement Administration (DEA) registration numbers.

### THIRD-PARTY COVERAGE

Nearly all private payers cover medical and surgical services provided by PAs. However, private health insurance companies do not necessarily follow Medicare's coverage policy rules. Because of the potential variation among insurance companies, practices should verify each company's specific payment and coverage policies for PAs. AAPA has extensive information about private payer policies available at [www.aapa.org/advocacy-and-practice-resources/reimbursement/payer-profiles](http://www.aapa.org/advocacy-and-practice-resources/reimbursement/payer-profiles).

Medicare pays the PA's employer for medical and surgical services provided by PAs in all settings at 85 percent of the physician's fee schedule. These settings include hospitals (inpatient, outpatient, operating room and emergency departments), nursing facilities, offices, clinics, the patient's home and first assisting at surgery. In certain settings, services that PAs provide may be billed at 100 percent under the supervising physician's provider number by meeting the "incident to" or shared visit billing requirements.

All 50 states and the District of Columbia cover medical services provided by PAs under their Medicaid fee for service

or Medicaid managed care programs. The rate of reimbursement is either the same as or slightly lower than that paid to physicians.

For more information about third-party coverage, visit our Reimbursement page at [www.aapa.org/advocacy-and-practice-resources/reimbursement](http://www.aapa.org/advocacy-and-practice-resources/reimbursement).

### MALPRACTICE

According to information from the National Practitioner Data Bank, maintained by the Division of Quality Assurance of the U.S. Department of Health and Human Services, PAs incur a remarkably low rate of malpractice liability.<sup>11</sup>

### HOW TO HIRE A PA

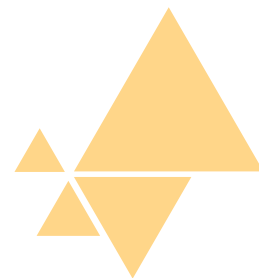
AAPA provides several resources to help you find the right PA for your practice. First, the AAPA Web site hosts PA Job Link, an interactive program where PAs can post their résumés and potential employers can list their job openings. Access PA Job Link at [www.aapa.org/for-employers](http://www.aapa.org/for-employers). Second, AAPA distributes two official publications for practicing graduates and student PAs: *PA Professional* and the *Journal of the American Academy of Physician Assistants (JAAPA)*. *PA Professional* is a monthly publication distributed to all AAPA members, and *JAAPA* is a monthly clinical journal. Both publications have employment listings where you can advertise. To place an advertisement or to obtain a price quote, please call 800-986-7737.

AAPA's constituent organizations, including state chapters, specialty organizations and caucuses, are additional employment resources. For a list of constituent organizations and

contact information, go to AAPA's Web site at [www.aapa.org](http://www.aapa.org).

According to AAPA's Data Services and Statistics Division, more than one-third of all PAs reported that they met their first clinical employer through clinical rotations while attending a PA program. For more information on how to become a preceptor or to learn whether a program provides placement services for graduates, contact an accredited PA educational program in your area. A list of PA programs is available from the Accreditation Review Commission on Education for the Physician Assistant (ARC-PA) at [www.arc-pa.org](http://www.arc-pa.org), or the Physician Assistant Education Association (PAEA) at [www.paeonline.org](http://www.paeonline.org).

Hiring a PA brings about many benefits for employers and patients. Feel free to contact AAPA's Jennifer Anne Hohman at 703-836-2272 ext. 3220 or [jhohman@aapa.org](mailto:jhohman@aapa.org) for assistance with any questions about working with PAs and making them a part of your practice team.



*PAs offer great financial benefits to their employers by providing high-quality medical care for which most public and private third-party payers reimburse.*

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