



Advanced Practice Fellowships: Finance and ROI

MEDICAL CENTER



Christi DeLemos, MSN, ACNP,
Chief of Advanced Practice

Rationale behind APP fellowships



For physicians, residency and fellowship programs are part of the landscape of medical training but they have not been an option for advanced practice providers until recently



APPs graduate with the skills and knowledge needed to pass rigorous certification exams and achieve licensure



Often lack the experience and skill to function as independent providers in high volume specialty practices where they are needed most



10,000 hour rule

INTERNAL AND EXTERNAL DRIVERS



MISSION TO EDUCATE



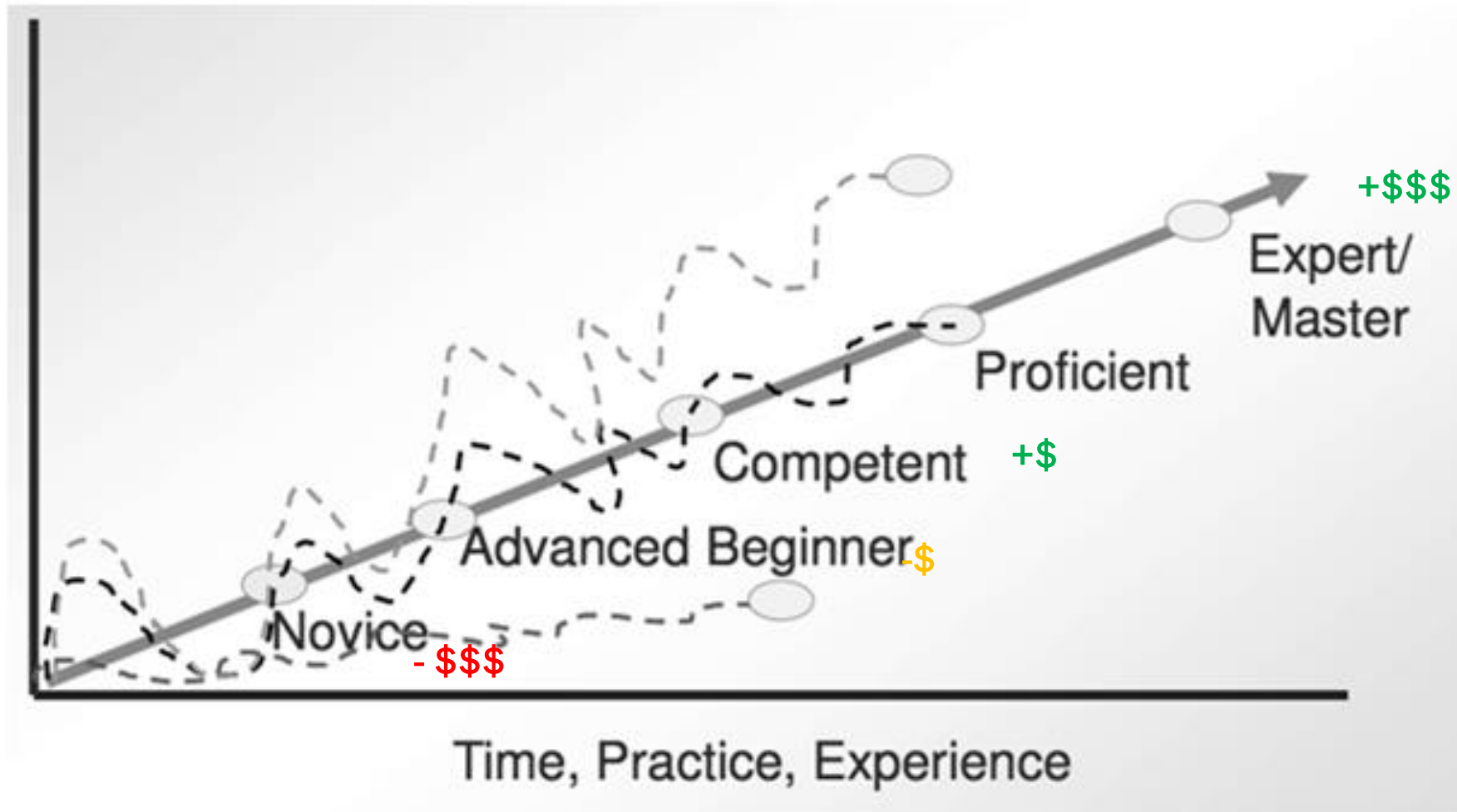
VACANCY AND LOSS



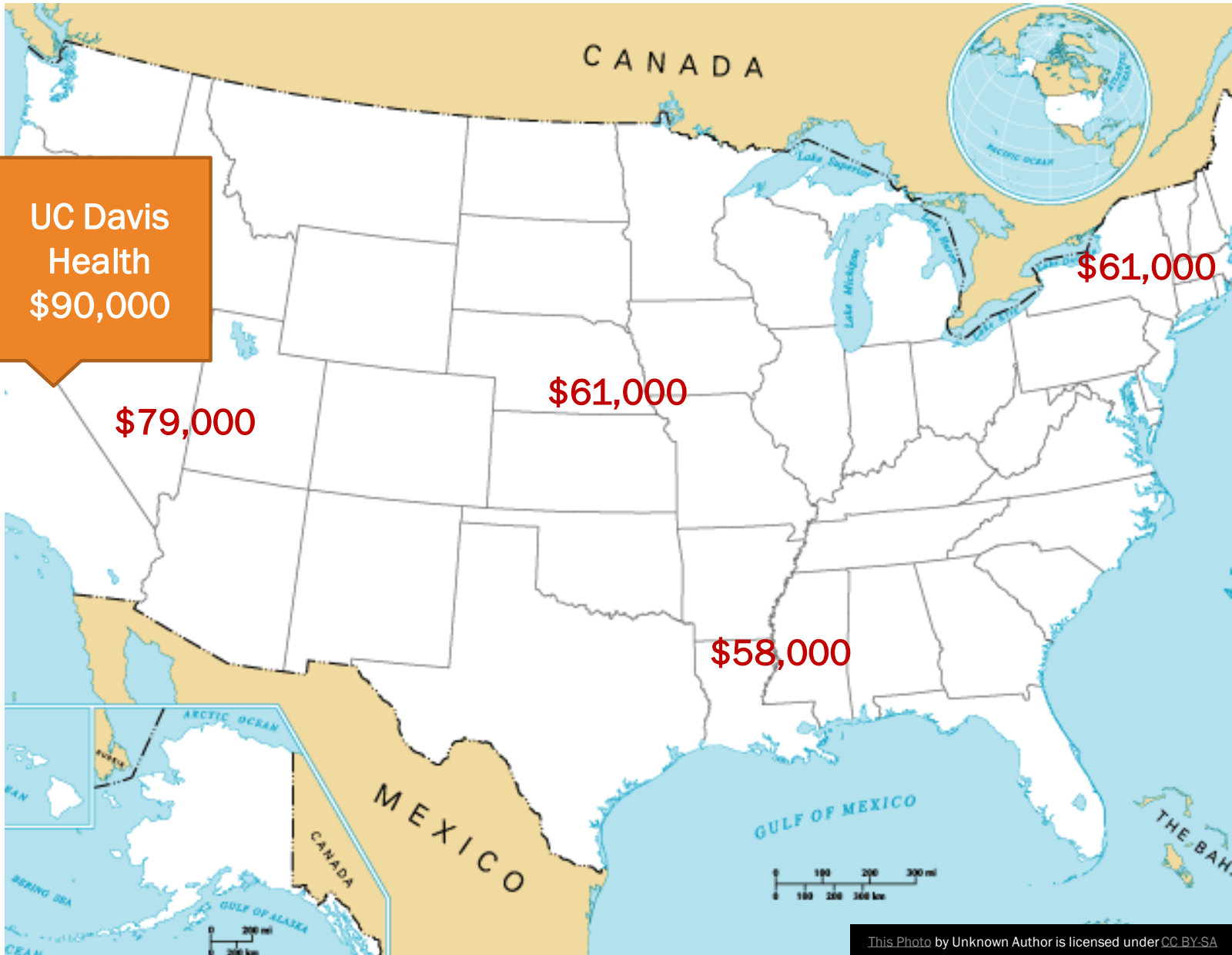
BUILDING WORKFORCE



DEVELOPING AN EXPERIENCED WORKFORCE



- There is no shortcut to experience
- Substantial financial investment in the first 1-2 years of employing an APP
- Fellowships create a pipeline of qualified providers



NATIONAL SURVEY OF APP FELLOWSHIPS

MORE THAN 200 PROGRAMS
NORTHEAST \$61,000
(AVERAGE SALARY OF APP 101,624)
SOUTH \$58,000
(AVERAGE SALARY OF APP 104,456)
MIDWEST \$61,000
(AVERAGE SALARY OF APP 103,475)
WEST \$79,000
(AVERAGE SALARY OF APP 121,792)

*HRSA not greater than 70% of NP salary

Benefits: variable
 12 months: > 95%, some 2 year
 65% called fellowship vs residency

FINANCIAL SAVINGS

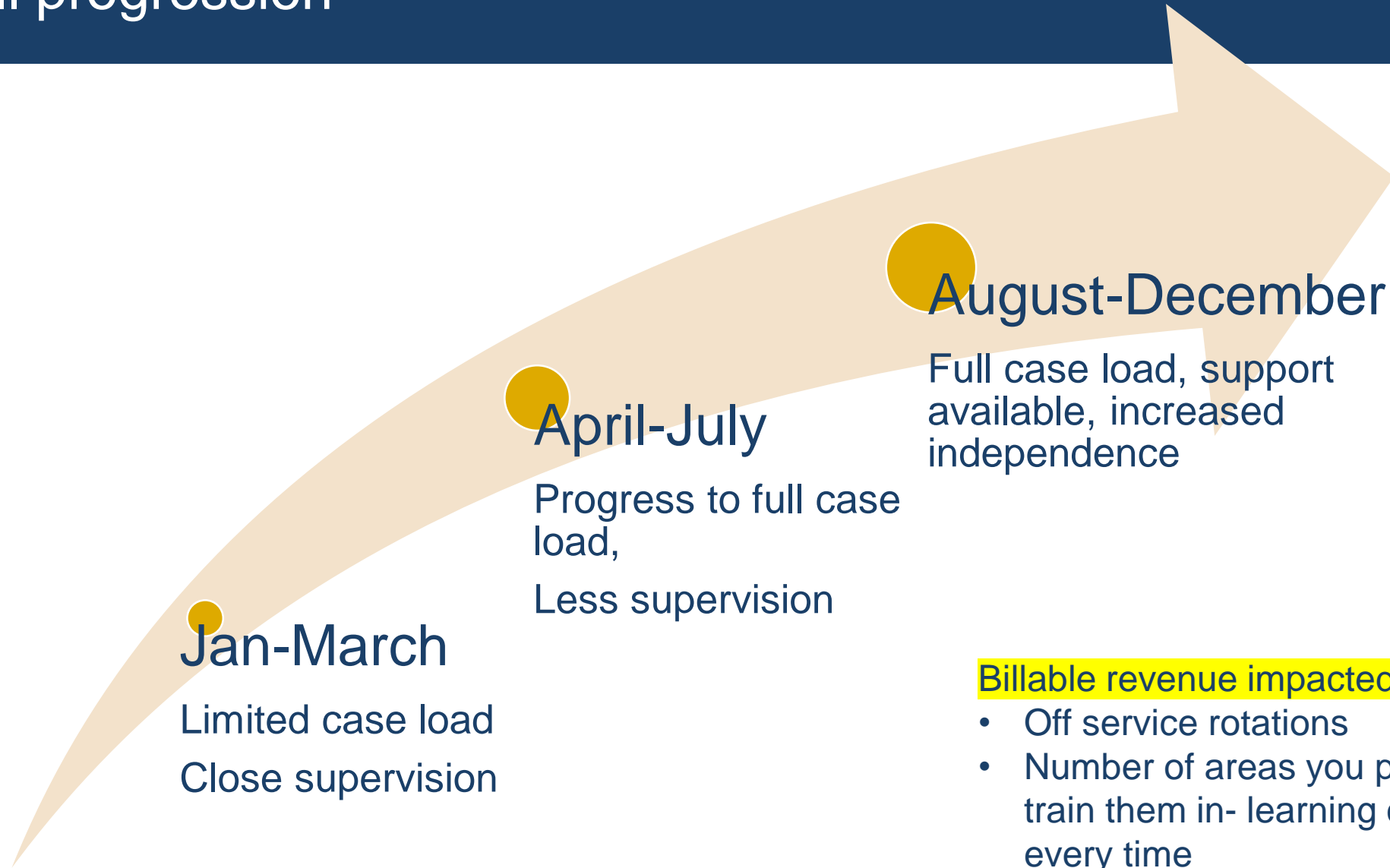
- LOW CLINICAL EFFICIENCY FIRST YEAR OF PRACTICE
- FELLOW LABOR COSTS ARE ABOUT HALF OF WHAT WE WOULD PAY A HIGHLY QUALIFIED NP
- SAVED RECRUITMENT COSTS BY TARGETING “DIFFICULT TO FILL POSITIONS”



PROGRAMMATIC COSTS IN ADDITION TO SALARY

- Cost of administrative staff to oversee the program
 - 25% FTE administrative assistant support
 - 50% FTE support of a management professional (ideally APP)
 - More support needed if grant funded related to trackable deliverables
- Recruitment/advertising costs
- Software or mobile application costs to house curriculum and track progress
- Fellowship curriculum meetings/food/beverage
- Supplies (monthly charges for phone/desk space, facility usage)
- Accreditation costs

Skill progression



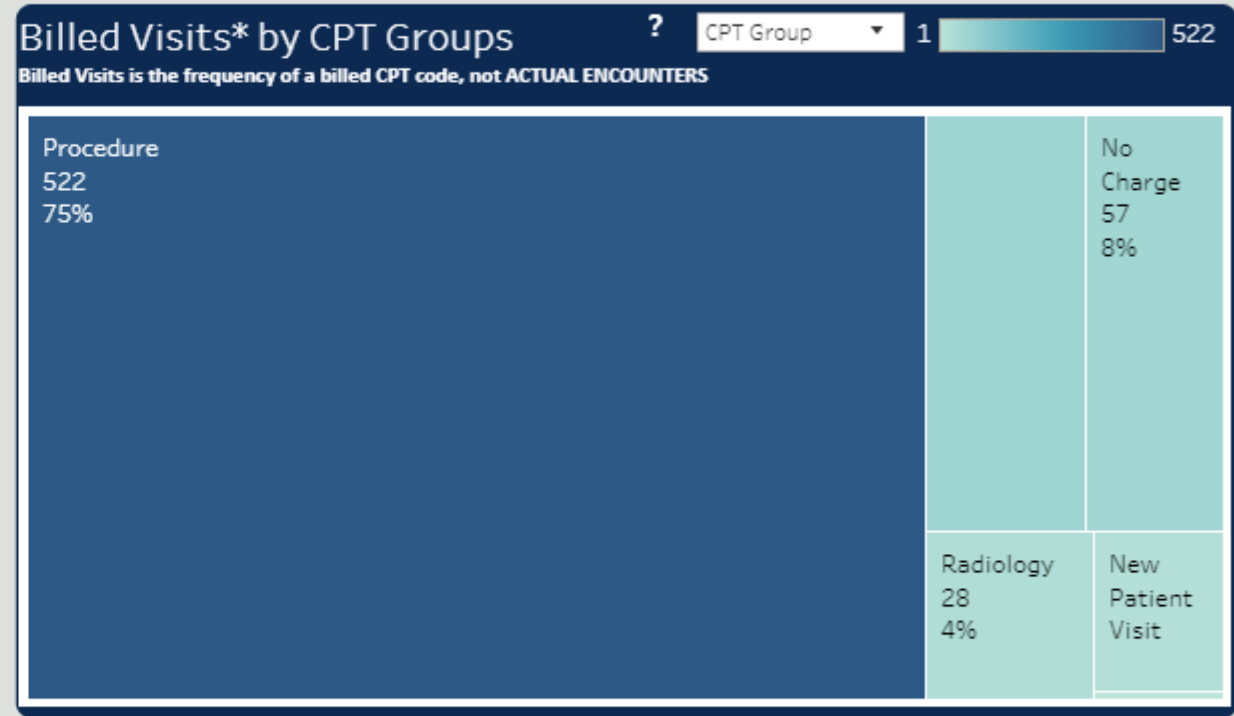
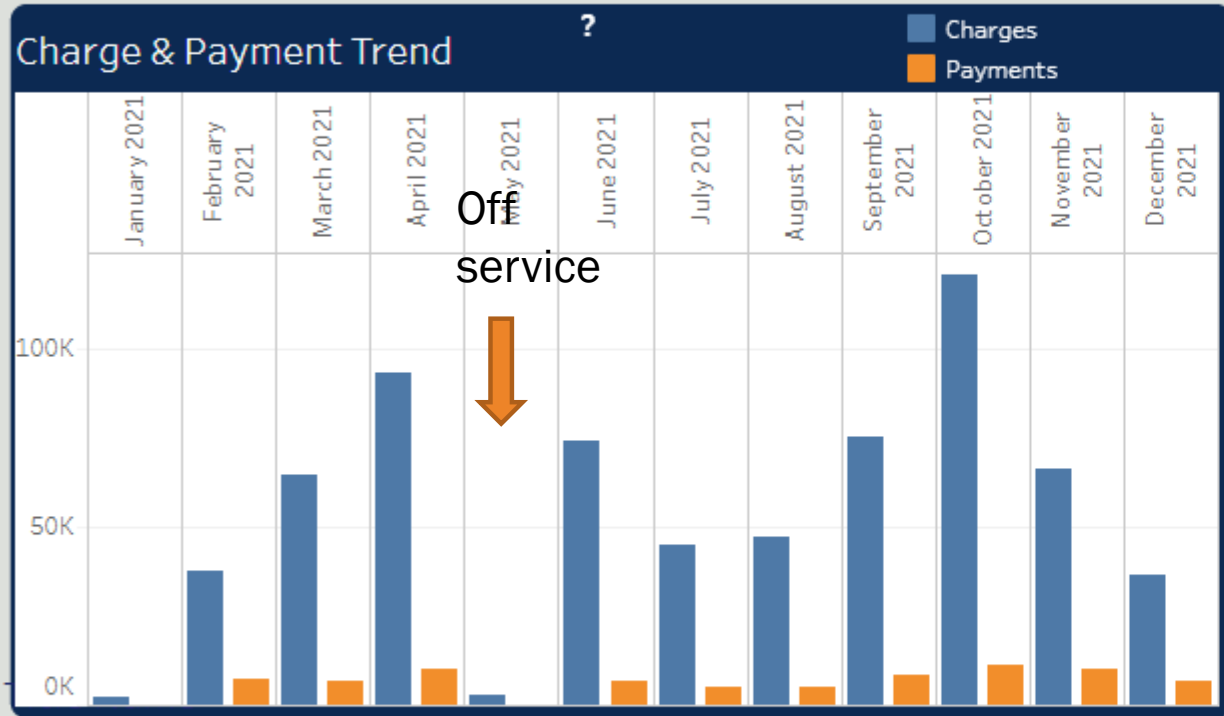
Billable revenue impacted by:

- Off service rotations
- Number of areas you plan to train them in- learning curve every time

RADIOLOGY FELLOW

APP Productivity Dashboard

Please note the dashboard reflects billable encounters captured as either the service or billing provider. It does not reflect care that was performed but not billable. This includes bundled payments, care provided by another billing provider within the same 24 hour period or other restrictions.



Billed Visits, Charges, Payments and wRVUs*

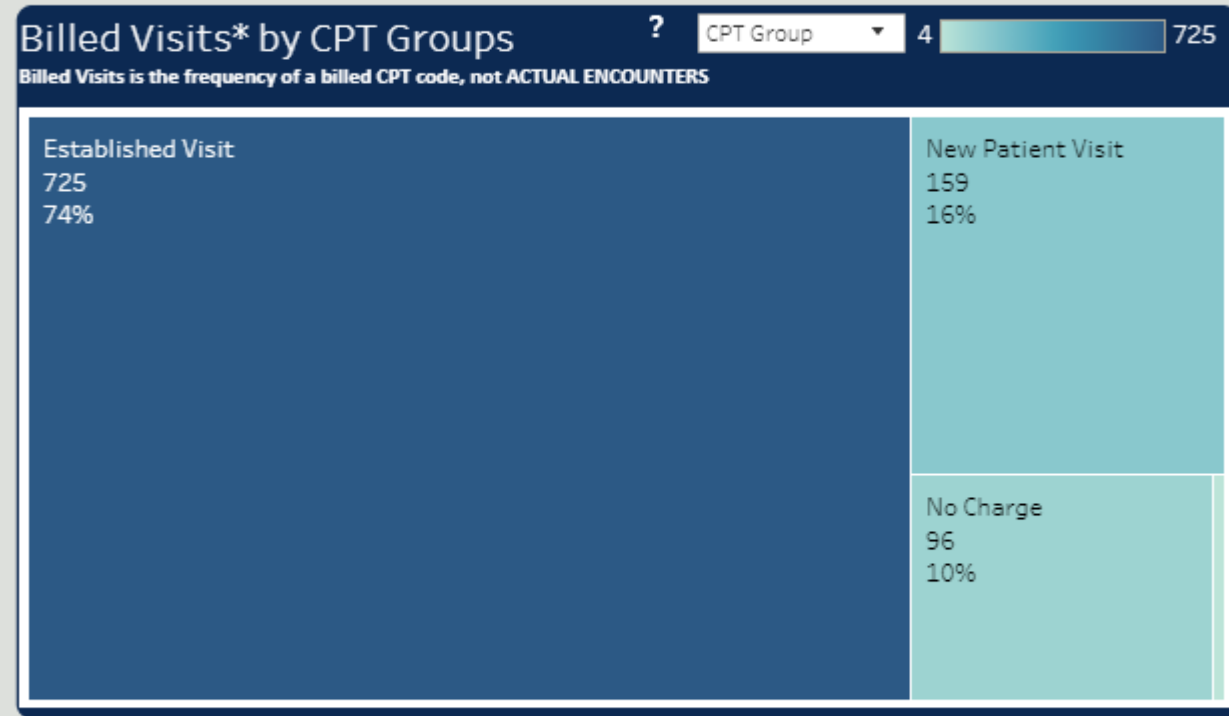
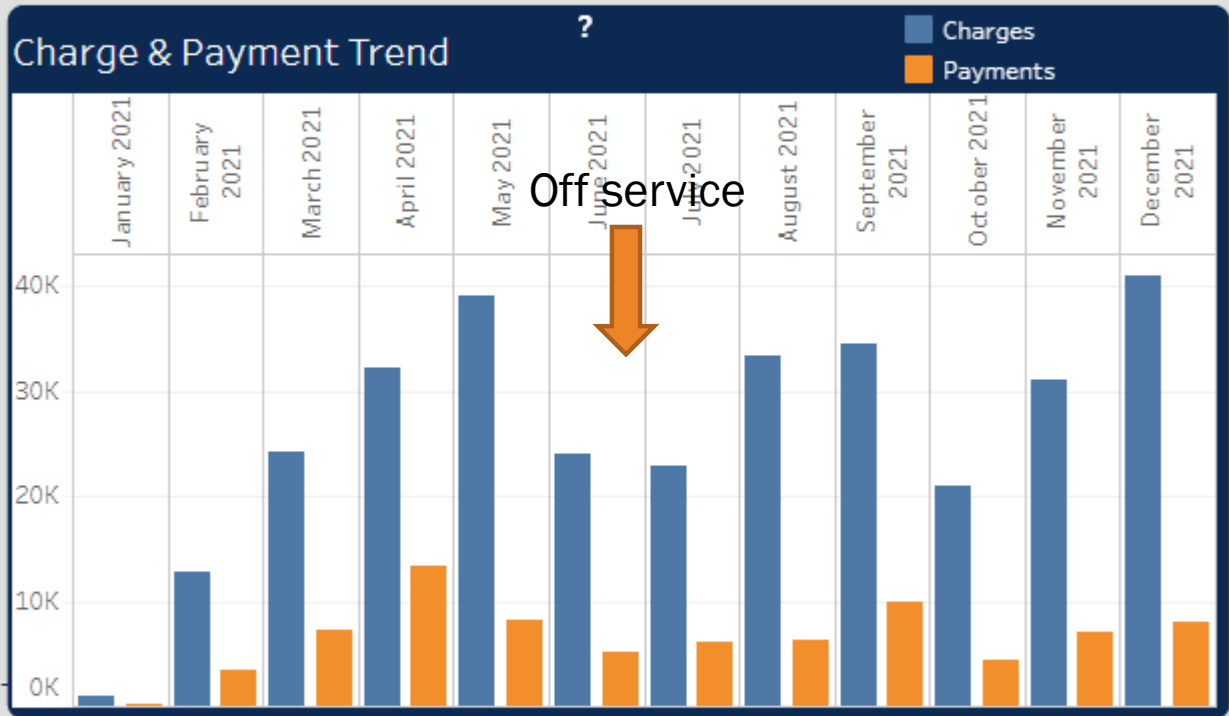
RVU's are estimated for Service Provider, and will not balance to other standard reports

Month of Post Date	CPT Group	Billed Visits	Charges	Payments	Work RVUs
Grand Total		695	\$665,868	\$77,948	1,161

ENDOCRINOLOGY FELLOW

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Billed Visits, Charges, Payments and wRVUs*

RVU's are estimated for Service Provider, and will not balance to other standard reports

Month of Post Date	CPT Group	Billed Visits	Charges	Payments	Work RVUs
Grand Total		984	\$317,317	\$79,224	1,885

APP LOSS

- Negatively impacts financial performance in the following ways:
 - Estimated costs of loss of a single APP is 1.3 x their annual salary - \$250,000 per provider
 - Increases staffing costs- time to interview, train, develop orientation plans, double staffing
 - Losses are linked to decreases in quality
 - Repeated loss of staff negatively impacts retention

FELLOWSHIP PROGRAM

Significantly reduces turnover and vacancy



Improves

Commitment to the organization	Team skills
Work satisfaction	Clinical leadership skills
Employee engagement	Critical thinking skills
Self-confidence	Absenteeism
Time management skills	Clinical competence



USE FREE RESOURCES AND PLAN WELL!



Advisory board

- Development of uniform selection criteria
- Consensus on programmatic materials
- Selection of practice-based learning environments
- Unification of standards and measurement tools
- Forecast needs related to accreditation



Physical space/locations

- Training sites
- Dedicated workspace
- Video conferencing



Human resources

- Recruit key program staff
- Identified preceptors
- Identified off service rotations
- Planned educational content



Financial support

- Develop a program budget
- Obtain approval
- Define salary/benefits



Organizational support

- C suite Leadership
- Operations
- Billing/coding
- IT
- Finance
- Department support

Summary points

- Fellowship programs provide numerous benefits
 - Aligns with our mission to educate the next generation
 - Steady stream of qualified applicants for complex specialty areas
 - Improved retention and engagement of existing employees
 - They absolutely make sense financially if you recruit for difficult to fill positions and use the provider to top of scope

Big Lots Behavioral Health Services



*Child & Adolescent Psychiatric NP Post-Grad Fellowship:
Finance, ROI & Sustainability*



LEADING THE JOURNEY TO **BEST** **OUTCOMES** FOR CHILDREN EVERYWHERE

**HEALTH EQUITY
AND POPULATION
HEALTH**



**BEHAVIORAL
HEALTH**



**INTEGRATED
CLINICAL CARE
AND RESEARCH**



GENOMICS



**QUALITY AND
SAFETY**



**CULTURE AND
TALENT**



PARTNERSHIPS



TECHNOLOGY



**OPERATIONAL
EXCELLENCE**



Behavioral Health



Define the nation-leading model for integrated systems of care



Deepen excellence in individual patient experience and outcomes

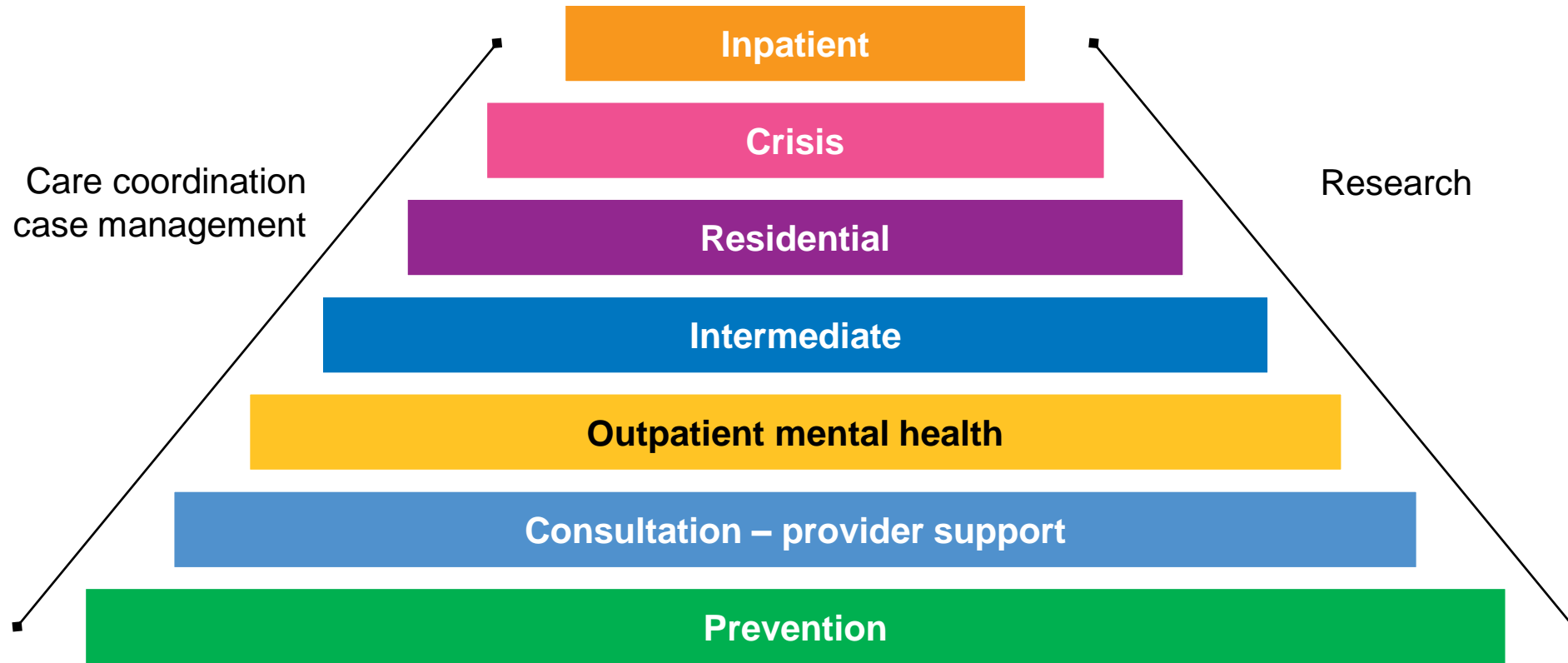


Establish leading research programs



Expand provider capacity, talent pipeline and educational resources

Nation-Leading Model for Systems of Care

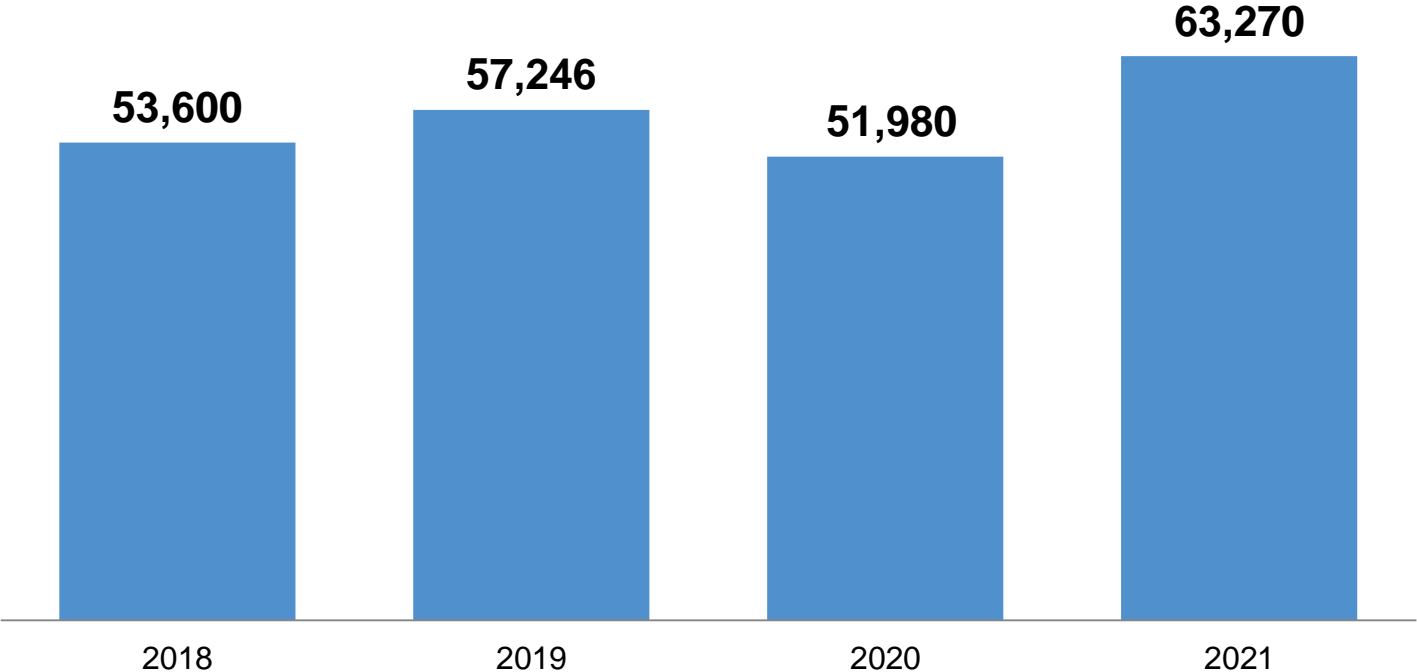


Big Lots Behavioral Health Pavilion

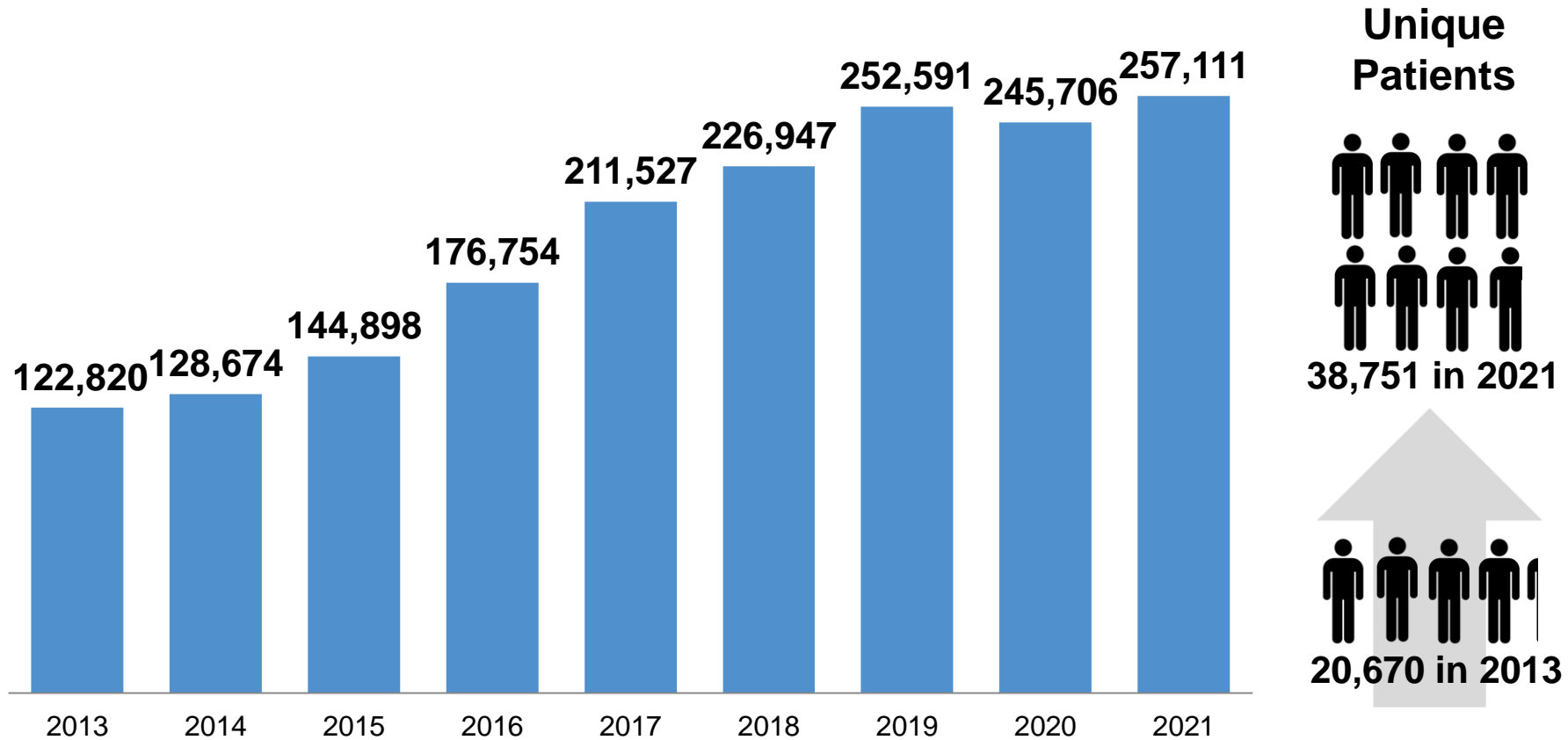


Referrals to NCH Behavioral Health Services


Annual Number of Referrals
January 1, 2018 through Dec 31, 2021



Annual Number of Outpatient Visits



Source: EDW
Includes Intensive Outpatient & Partial
Hospitalization Programs
Excludes PEEC / PCD

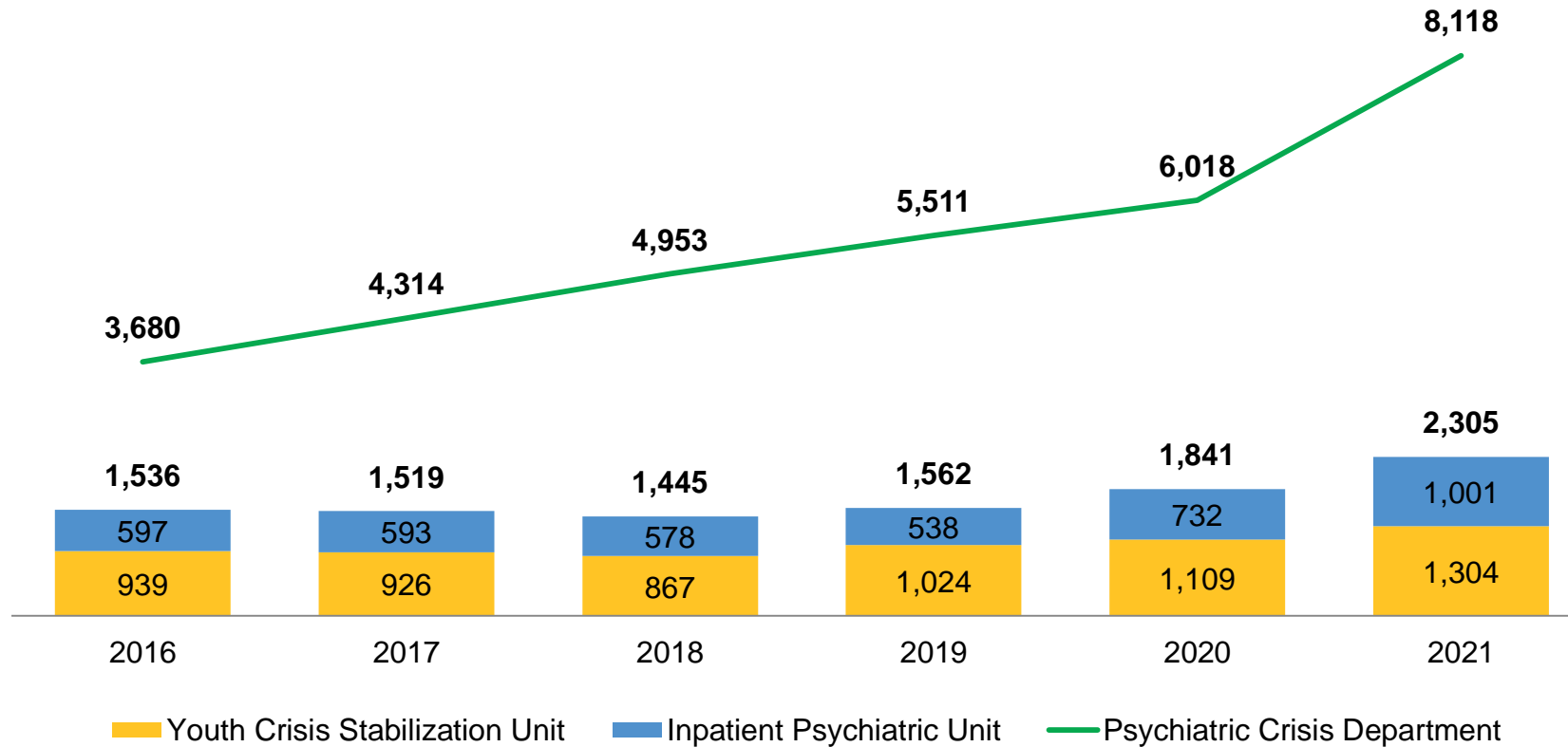
 =5,000 patients



NATIONWIDE CHILDREN'S
When your child needs a hospital, everything matters.™

Acute Visits

Annual Number of Discharges
January 1, 2016 through Dec 31, 2021



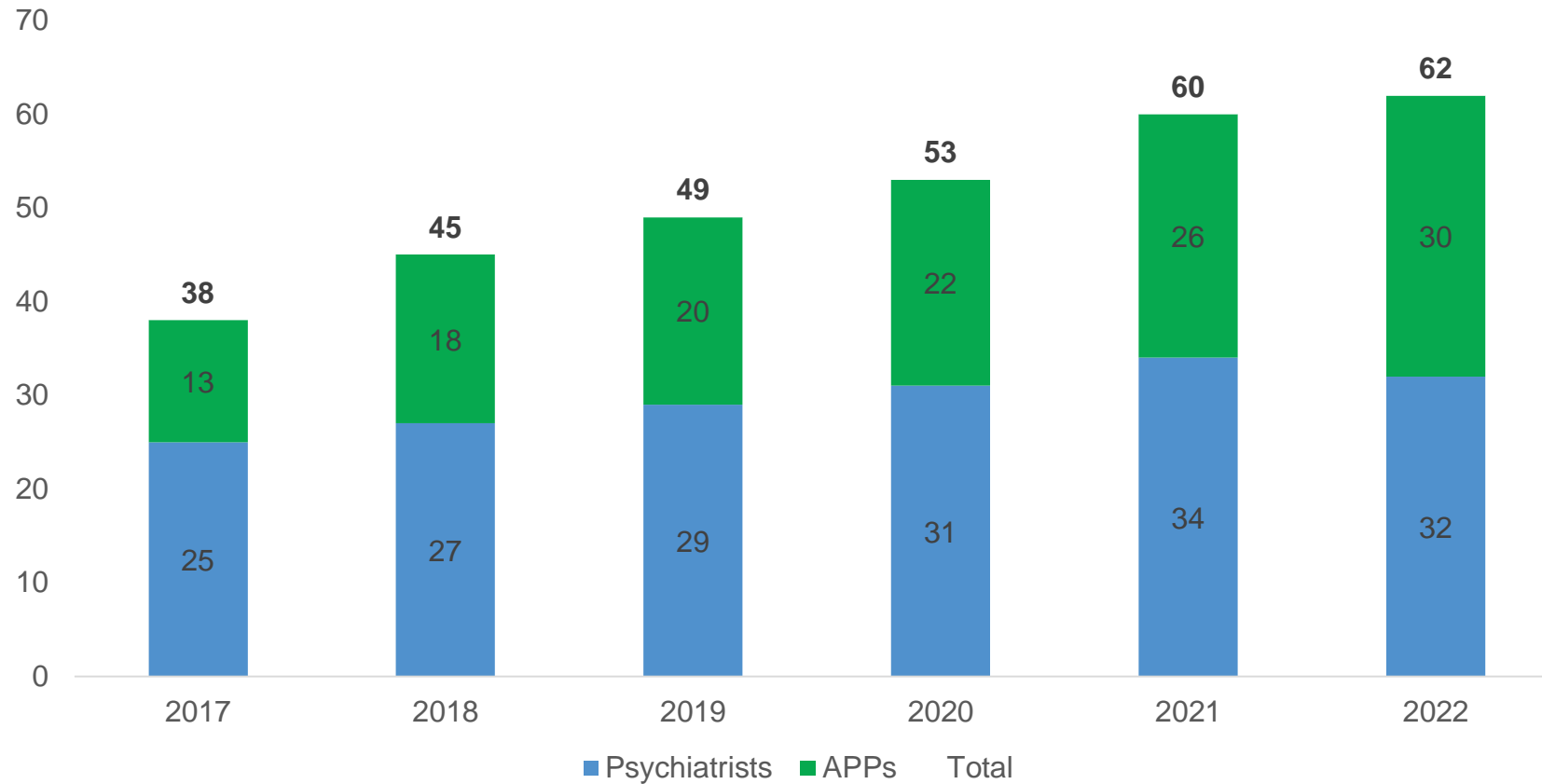
Source: EDW

Note: PDC 2021B based on Mar-Aug 2020 actual (covid volume dip)



NATIONWIDE CHILDREN'S
When your child needs a hospital, everything matters.™

Providers



2022A thru April

Challenge

- Needed more providers fast
- National shortage of C/A psychiatrists
- APPs were available *but not yet ready for independent psychiatric practice*

Academic Mission and Support

- Already had a successful, growing psychiatry fellowship
- Administration supported – financially and clinically
- Directorship was incorporated into an existing Manager role

- Leadership support
- Academic and clinical champion
- Strategic Plan accelerating growth

Fellowship Overview – est. 2018

- One-year fellowship
- Cohort of two fellows
- Average ten to twelve applicants annually from across the U.S.
- Clinical rotations in both inpatient and outpatient
- Experience in specialty rotations
- Complete evidence-based project
- Have retained 63% of fellow graduates

Finance/ Budget

	2018-2019	2019-2020	2020-2021	2021-2022
REVENUE				
OHMHAS Grant	30,000	30,000	30,000	30,000
Patient Revenue	~5,000	~5,000	~5,000	~5,000
NCH In-kind Invest.	170,157	170,288	167,951	0
Grants	-	-	-	174,466
EXPENSE				
Salaries & Benefits	196,000	196,000	196,000	196,000
General Expenses	9,157	9,288	6,951	12,064
TOTAL	0	0	0	1,402

Look for “seed money”

Requires some level of investment

Financial returns are likely NOT seen immediately

If simply looking to make money or break even, be realistic

ROI & Sustainability



Summary



Right Context



Leadership Support



Academic/Clinical Champion



“Seed money” / Investment



Get results / achieve outcomes



Use those results to apply / request additional funding

- Consider institutional value
- Line of sight to Strategic Plan
- Someone to marshal forward
- Commitment >1 year
- May take time
- Don't be afraid to adjust – especially based on feedback from key stakeholders

APRN FNP RESIDENCY

FINANCE/ROI/SUSTAINABILITY



Douglas J. Spegman MD, MSPH, FACP
Chief Clinical Officer, El Rio Health

El Rio Our History

- ❖ 1970 Beginnings
- ❖ Today – over 120,000 active patients
- ❖ 336 Providers
- ❖ 14 clinical sites
- ❖ Joint Commission Accredited
- ❖ PCMH – Level 3 NCQA
- ❖ Healthcare Equality Index
Leader in LGBTQ Healthcare
since 2016



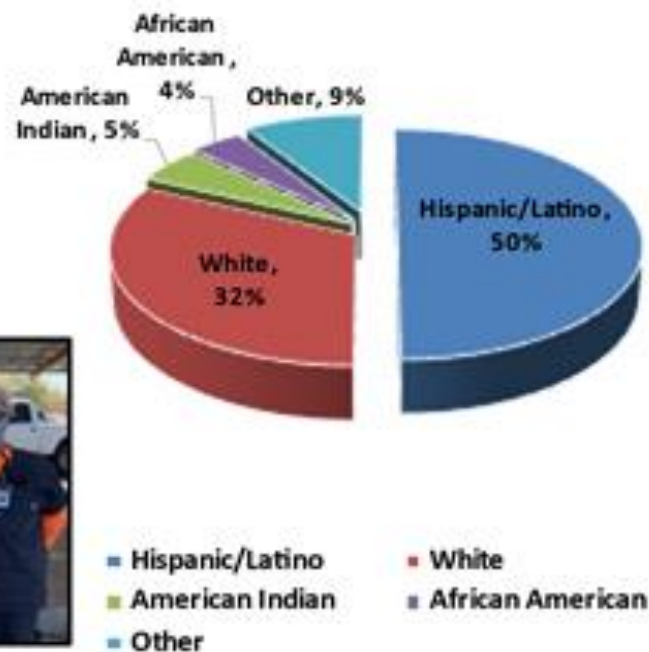
Honor Patients

2021 UDS Submitted Data

- ❖ Total # of Patients Served: 125,499
- ❖ Total Patient Visits: 427,979 (Virtual 83,220)



El Rio Patients by Race/Ethnicity



Patients by Payer Source

- ❖ Medicaid: 49%
 - ❖ Private: 21%
 - ❖ Uninsured: 17%
 - ❖ Medicare: 12%
-
- ❖ 37% of patients 100% and below the Federal Poverty Line

Budget 2022

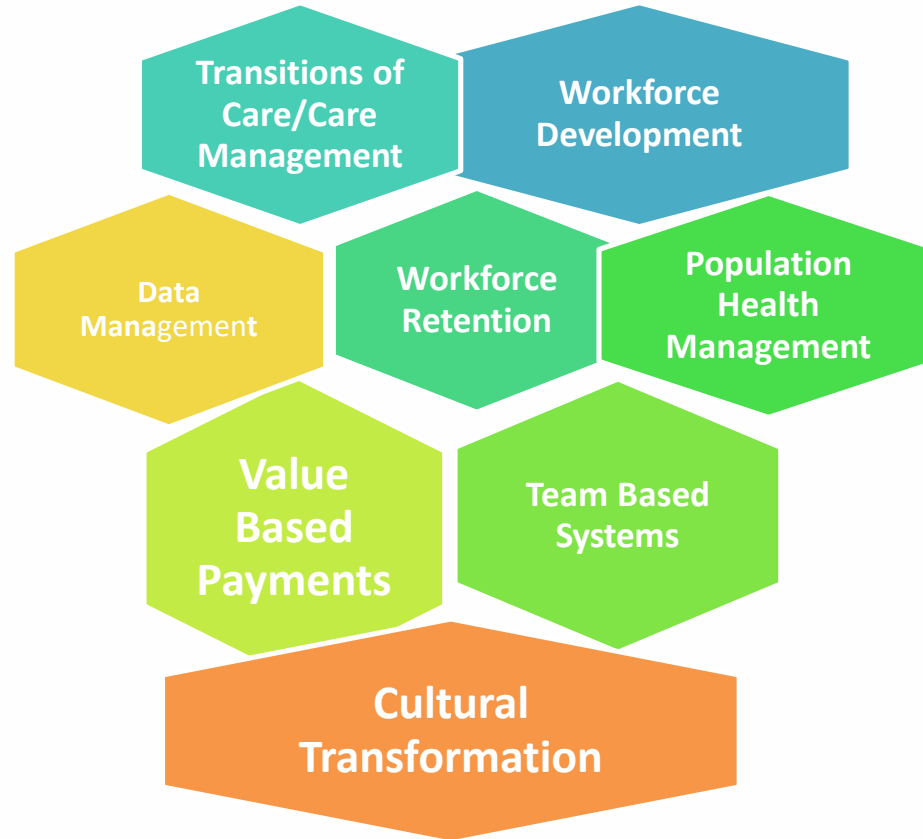
- ❖ Revenue = \$250M
- ❖ Expense = \$192M
- ❖ Projected Operating Margin = 5%

Teaching Health Centers: Training the Workforce of Tomorrow

- ❖ ATSU-SOMA Medical School
- ❖ National Family Medicine Residency Program (Wright Center Consortium)
- ❖ AEGD General Dentistry Residency Program (NYU Langone Consortium)
- ❖ Pediatric Dental Residency Program (NYU Langone Consortium)
- ❖ Clinical Pharmacy Residency Program
- ❖ Pediatrics Residency Program
- ❖ Family Nurse Practitioner Residency Program
- ❖ Certified Nurse Midwife Residency Program



Changing Paradigm of Healthcare Delivery



WERE YOU TRAINED FOR THIS?



EL RIO APRN FNP Residency Design Considerations

- ❖ Community Health Medicine- Primary Care Focus (established in 2019)
- ❖ Pediatric Care Training Needs
- ❖ Population Health Training: Closing Gaps of Care, Value Based Care, AWW's, Medicare Advantage 360 annual evaluations, CCM, HCC coding, RAF scores
- ❖ Training Program for 1 Urban and 2 Rural FQHC's in Southern AZ
- ❖ Interprofessional Education within the Teaching Health Center Model



EL RIO APRN FNP Residency Outcomes

- ❖ 4th Residency Class Begins training 9/22
- ❖ 22 Residents came through our program to date with 8 starting in September
- ❖ Attrition Rate during Residency 18% (4/22) (All attrition experienced in cohorts 1 and 2)
- ❖ 100% Retention Rate to Date for Those Completing Residency



COST CONSIDERATIONS

APRN Residency Program		Annually
Number of Residents/Students		8
Visits		9,800
Revenue		
Patient Revenue	\$	2,242,000
Grant Revenue	\$	516,000
Total Revenue	\$	2,758,000
Expenses		
Compensation Expense	\$	1,146,000
Benefits	\$	241,000
Supplies	\$	1,000
Contracted Services	\$	33,000
Travel and Training	\$	6,000
Information Technology	\$	4,000
Other Expense	\$	34,000
General Expense	\$	1,000
Indirect Clinical Services	\$	235,000
Indirect Central Services	\$	293,200
Total Expense	\$	1,994,200
Total Benefit/Cost	\$	763,800

Assumptions

- 2 Year Average (2020-2021)
- Average \$ per Encounter
\$229
- HRSA Grant to expire 2022-2023 AY
- COVID Impact

AVERAGE PRODUCTIVITY (FIRST YEAR FULL EMPLOYMENT 2021 DATA)



Retention/Sustainability Considerations

- ❖ FNP workforce adequately trained in community medicine
- ❖ ROI of P4P population health training
- ❖ Teaching Programs as a Clinician Satisfier
- ❖ ROI of training in Continuous Quality Improvement during Residency
- ❖ Partnering with AHEC (Area Health Education Centers)
- ❖ Emerging role of APRN FNP's in Clinical Leadership



Creating the Workforce of Tomorrow Retaining the Workforce of Today

