Demand for Nurse Practitioners at an All-Time High

BY JEFF WADDILL

On the 50th anniversary of the first nurse practitioner (NP) education program and establishment of the NP role, demand for nurse practitioners is reaching an all-time high and the needle continues to point upward.

In its 23 years of nationwide temporary healthcare staffing experience, Staff Care has never seen demand for a particular type of healthcare professional grow so quickly. In 2011, we received next to no requests to staff NPs. Last year, by contrast, NPs accounted for approximately 10 percent of all staffing requests we received, trailing only primary care physicians, psychiatrists, and hospitalists on our list of most in-demand professionals.

Similarly, our sister company, Merritt Hawkins, which places physicians and other healthcare professionals on a permanent basis, also has seen an explosion in demand for NPs. In 2014, NPs were the firm’s fifth most requested type of search assignment, whereas in 2011 NPs were not among its top 20. Average annual salary offers to NPs tracked by Merritt Hawkins have increased accordingly, from $95,000 in 2011 to $107,000 this year.

What is driving the surging demand for NPs? Seven key factors come into play, including:

**The physician shortage.** In its 2015 physician workforce study, the Association of American Medical Colleges (AAMC) projected a deficit of up to 90,400 physicians by the year 2025. The study’s authors noted that the deficit would be considerably greater if not for the increasing volume of care being provided by NPs and by physician assistants (PAs). As physicians continue to be in short supply, demand for NPs will accelerate.

**Multiplying sites of service.** As little as five years ago, traditional acute care hospitals and private medical groups were the primary recruiters and employers of NPs. Today, a growing number of NPs are self-employed and they are targeted for recruitment by a wide range of organizations, including urgent care centers, retail clinics, federally qualified health centers (FQHCs), ambulatory surgery centers, large employers, insurance companies, academic medical centers, accountable care organizations (ACOs), and others. As the types of suitors proliferate, demand for NPs will increase.

**The rise of convenient care.** Among the rapidly multiplying sites of service that employ NPs, those that offer “convenient care” may be growing the fastest. There are more than 9,300 urgent care centers in the United States seeing 160 million patient visits a year. Of these, 40 percent expect to expand or add a new site and 85 percent expect to see new patient growth (Becker’s Hospital Review, August 2013). The number of retail clinics is expected to more than double from about 1,600 today to more than 3,000 by the end of 2016. NPs and PAs are the primary caregivers in these settings, which are locked in an increasingly heated competition to staff the professionals they need.

**Scope of practice.** In 21 states and the District of Columbia, NPs enjoy a full scope of practice, evaluating patients independently, ordering diagnostic tests, managing treatments, and prescribing medications under the authority of the State Board of Nursing. Several states have legislation pending that would allow NPs autonomous practice. As NP scope of practice increases, so will demand for their services.

**Patient acceptance.** In a 2013 study published in Health Affairs, about half of patients surveyed said they would prefer to see an NP or PA than see a physician, or had no preference, while the majority indicated they would rather see an NP or PA than wait to see a physician. Other studies have revealed the positive patient outcomes and high patient satisfaction scores achieved by NPs. Growing patient acceptance is driving down any hesitation employers may have had about recruiting NPs.

**Team-based care/population health management.** The Affordable Care Act and a variety of market-based
factors are driving the adoption of team-based care in which groups of healthcare professionals provide comprehensive care for large populations within a defined, capitated budget. The team typically is led by a primary care physician, but NPs are playing a critical role in care delivery and coordination. As this model spreads, it will significantly increase demand for NPs.

Cost effectiveness. As healthcare providers operate within fixed budgets, cost effectiveness will become a greater priority. NPs can perform the majority of the tasks physicians perform while maintaining quality, yet they are paid significantly less. In addition, NPs can be critical to increasing patient access and satisfaction, providing patient education, improving outcomes, and avoiding readmissions, all metrics by which healthcare professionals and healthcare facilities will be paid as reimbursement shifts from volume to value.

The 50th anniversary of the NP role is an ideal time to look back and reflect on how far the profession has come. Given the factors cited above, it’s an even better time to look forward to the exciting places it is going.

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