



Hiring a PA

Hiring PAs benefits patients, practices and institutions. With their rigorous medical education and versatility, PAs increase access, productivity and revenue while reducing patient wait times and improving patient satisfaction.

PAs provide high-quality care in all medical and surgical settings. They take medical histories, perform physical examinations, order and interpret laboratory tests, diagnose illness, develop and manage treatment plans for their patients, prescribe medications, and assist in surgery. Each PA's scope of practice is defined at the practice level, taking into account the PA's education and experience, state laws, employer policies, and needs of the practice.¹

PA VALUE

PAs provide cost-effective care, generating sizable revenue relative to their salaries and benefits. A 2009 cardiology workforce study reported that PAs can generate up to four times their incomes.² A Medical Group Management Association report found practices that use PAs and nurse practitioners (NPs) typically performed better financially and generate higher physician incomes than those that do not.³

The value PAs bring to the healthcare system cannot be measured by direct billings alone. When a PA bills for care using his or her own National Provider Identifier (NPI), resulting revenue is easily tracked and credited to the PA, but many private insurers require PAs to bill under a physician's NPI, and Medicare allows "incident-to" billing.^{4,5} In addition, PAs on a team enable physicians to increase their productivity and revenue and open access to more patients while maintaining high-quality care and improving patient satisfaction.⁶⁻¹⁰ A deeper look into the healthcare system and the nature of team practice is necessary to understand the true value of PAs.

PAS CONTRIBUTE ACROSS SPECIALTIES AND SETTINGS

Hospital studies frequently attribute cost-reduction, quality and patient satisfaction outcomes to PAs. One program of postsurgical home visits reduced readmissions by 41 percent and saved an estimated \$39 for every dollar spent.¹¹ Multiple studies of critical care departments show the benefit of PAs and NPs in improving continuity of care, adherence to guidelines, communication, collaboration, and resident education.¹²⁻¹⁵

In surgical practices, PAs are particularly valuable because they provide nonbillable preoperative and postoperative care—covered by global fees—while simultaneously allowing the surgeon to take on additional revenue-generating cases.^{16,17}

Medical subspecialty studies show that quality of care provided by teams with PAs is equivalent to or better than care provided under a physician-only model.¹⁸⁻²⁰ Guidelines from the American College of Obstetricians and Gynecologists name PAs as one of the providers best suited to lead healthcare teams.²¹

In primary care, PAs are key to the success of many patient-centered medical homes. They expand access, fill care gaps, and provide expert care coordination and chronic care management. The most effective practices are those that enable PAs to work to the full extent of their education and experience.²²⁻²³

TEAM PRACTICE

PAs have always practiced collaboratively with physicians and with other types of providers. The relationship between physicians and PAs is one of mutual trust and reliance. All states allow PAs to provide patient services in sites where a physician is not physically present but is available by telephone or other electronic means; details can be found in [state PA practice acts](#).

PA CREDENTIALS

To practice, PAs must graduate from an accredited PA program, pass a national certifying exam and be licensed by the state where they plan to practice. Maintaining certification requires 100 hours of continuing medical education every two years and passing a recertification exam every 10 years.

MALPRACTICE

PAs are covered for medical liability either by their own liability insurance policy or by an employer’s policy. Whichever the case, the vast majority of employers cover the cost of the insurance (and tail policy, if needed). Analysis of data from the National Practitioner Data Bank reveals that PAs incur a remarkably low rate of malpractice claims paid against them, far lower than physicians. Nationally, there were just 1,414 liability claims paid against PAs in the 10 years from 2005-2014.²⁴ During that decade, the highest rate of malpractice reports for physicians was in 2005 (19.0 reports per 1,000 physicians) and the lowest in 2014 (11.2 per 1,000). For PAs, the highest rate of malpractice was in 2011 (2.4 reports per 1,000 PAs) and the lowest was in 2007 (1.4 per 1,000)²⁵ One comprehensive study of private insurance data found that PA-physician teams experienced a lower rate of malpractice litigation than physicians alone.²⁶

Year	Number of Providers		No. of reports		Per 1,000 providers	
	Physician	PA	Physician	PA	Physician	PA
2005	737,473	63,350	13,992	110	19.0	1.7
2006	747,581	62,960	12,475	113	16.7	1.8
2007	760,695	67,160	11,459	94	15.1	1.4
2008	773,809	71,950	11,001	115	14.2	1.6
2009	786,659	76,900	10,715	131	13.6	1.7
2010	799,509	81,420	10,158	139	12.7	1.7
2011	808,680	83,540	9,743	196	12.0	2.4
2012	817,850	83,640	9,362	163	11.4	2.0
2013	832,466	88,110	9,656	164	11.6	1.9
2014	844,340	91,670	9,477	190	11.2	2.1

Source: Brock DM, et al. (2016). "Physician Assistant and Nurse Practitioner Malpractice Trends." Med Care Res Rev.

PRESCRIBING

All states, the District of Columbia and all U.S. territories except Puerto Rico permit PA prescribing of all noncontrolled prescription drugs. PAs can prescribe controlled drugs in all states except Kentucky. PAs who prescribe controlled medications must obtain their own federal Drug Enforcement Administration registration numbers. ([PA prescriptive authority by state](#).)

PRACTICE CHALLENGES

PA advocacy efforts resulted in hundreds of PA-positive changes in federal and state laws in recent years, eliminating many outdated requirements, such as physician co-signatures on PA chart entries in some states and physician onsite supervision in Rural Health Clinics. Other changes enable PAs to order DME under TRICARE and portable X-ray and fecal occult tests for Medicare patients. Despite some remaining challenges, PA utilization and cost savings will only increase as outdated limitations fall.²⁷

THIRD-PARTY COVERAGE

Nearly all payers cover medical and surgical services provided by PAs. Claims are submitted under the name of either the PA or the physician. Verifying each payer's specific payment policies for PAs is critical. Medicare pays the PA's employer for PA-provided medical and surgical services in all settings at 85 percent of the physician fee schedule. In certain circumstances, services PAs provide may be billed under the physician's name and provider number by meeting the "incident to" or shared visit billing guidelines. All 50 states and the District of Columbia cover PA-provided medical services 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.

Payment for mental health services can be problematic. Medicare includes PAs among the health professionals eligible to furnish outpatient diagnosis and treatment for mental disorders. However, some private behavioral health companies will not recognize or reimburse PAs unless the PA has advanced training or a degree in a mental health specialty. AAPA is actively working to remove coverage barriers.

RESOURCES FOR HIRING A PA

- [PA JobSource](#), an interactive platform on the AAPA website where employers can list job openings and PAs can post their résumés;
- Monthly [Journal of the AAPA](#). To place an ad or to obtain a price quote for JAAPA, contact Connor Winther, connor.winther@wolterskluwer.com, 215-287-6619;
- [AAPA constituent organizations](#), including state chapters, specialty organizations, and caucuses;
- The [Center for Healthcare Leadership and Management](#) offers expertise on maximizing efficient use of PAs, particularly in larger practices and hospitals;
- AAPA's [The Essential Guide to PA Reimbursement](#)
- Many PAs secure their first job while on a clinical rotation. For information on precepting, contact a PA program in your area. Programs are listed in the [Physician Assistant Education Association directory](#) and on the [Accreditation Review Commission on Education for the Physician Assistant](#) website.

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