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### Salary, Benefits Packages, and Negotiation Skills for Nurse Practitioners

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COMPENSATION, BENEFITS PACKAGE AND NEGOTIATION SKILLS FOR  
NURSE PRACTITIONERS

A Scholarly project submitted to the Graduate School  
in partial fulfillment of the Requirements  
for the Degree of Doctor of Nursing Practice

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February 2020

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# COMPENSATION, BENEFITS PACKAGE AND NEGOTIATION SKILLS FOR NURSE PRACTITIONERS

An Abstract of the Scholarly Project by  
Lea Ann Tyler, ANP-C  
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Currently, there are nearly 250,000 practicing nurse practitioners providing care in a broad variety of healthcare settings, and that number is growing by three to four thousand every year. Historically, nurse practitioners have been paid a salary commensurate with experience. As the healthcare market changes, so too is the way NPs are being paid. It is imperative that nurse practitioner students are educated and knowledgeable about nurse practitioner salary, benefits packages and negotiation techniques. This information is necessary to make informed decisions on these matters, and before signing any formal contract.

Through a substantial literature review, it was determined there was a paucity of information detailing what new graduates can expect regarding compensation and benefits packages; and negotiation techniques necessary to be successful during the interview and hiring process. The purpose of this project was to determine if educating nurse practitioner students on compensation, benefits packages and negotiation skills allows them to feel an increased sense of confidence and understanding of this process so they feel better equipped to fully evaluate and negotiate job offers. A 90-minute presentation was given to NP students on these matters at a small, midwestern University. A pre- and posttest format was used. The findings were significant, showing that prior to the intervention students felt vastly unprepared to discuss and negotiate salary and benefits packages with potential employers. The authors also found that the presentation

of information on these matters significantly increased their confidence and helped them feel better prepared to participate in this process. For sustainability, the authors plan to copyright the information and present in both poster and podium format.

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## **Chapter I**

### **Introduction**

Nurse practitioners have been providing care to patients since 1965. Currently, twenty-two states plus the District of Columbia allow NPs to practice independently, without physician oversight. There are currently more than 248,000 nurse practitioners licensed to practice in the United States, practicing in a broad range of settings. In 2016-17 there were more than 26,000 new nurse practitioner graduates. This number continues to increase by three to four thousand per year, over the prior year (American Association of Nurse Practitioners, 2018a).

By the year 2020, the United States is projected to experience a shortfall of approximately 45,000 primary care physicians (Kirch, 2012). As part of a plan to combat this, the Institute of Medicine (IOM) has recommended that advanced practice registered nurses (APRNs) should be allowed to practice to the full extent of their education and training (Institute of Medicine of the National Academies, 2010). The care that nurse practitioners provide has been proven to be as good or better than their physician counterparts and more cost effective (Horrocks, Anderson, & Salisbury, 2002; Stanik-Hutt, et al., 2013; Martin-Misener, et al, 2015). Nurse practitioners have repeatedly demonstrated their value. With the need for primary care providers increasing and the

supply of primary care physicians decreasing, NPs are being educated and trained and are ready to fill the projected shortfall.

In the past most compensation packages for NPs have been the pay similar to RNs with either salary or hourly wages seen for compensation. As healthcare systems focus on cost, quality, and access there are changes occurring in pay for NPs. These models vary from institution to institution and consist of productivity bonus potential and/or valued based incentives. Productivity is often calculated in the form of work relative value units (wRVUs). The wRVUs are determined based on proper coding following the Centers for Medicare and Medicaid Services (CMS) guidelines. These guidelines must be followed for reimbursement purposes and to avoid any penalty from CMS. Once the wRVUs are tabulated the institution will place a dollar limit per wRVU for distribution of pay. Many compensation plans for the APRN have a lower base salary (guarantee salary) plus productivity bonus. Some healthcare systems will also have an additional bonus based on value-added services. These value-added services are services which are provided by the NPs or physicians which do not generate specific wRVUs. These services can include a variety of areas such as patient satisfaction scores, mandatory meeting attendance, and other healthcare and quality metrics. Nurse practitioners need the appropriate information to discuss any variation in plans and fully understand expectations before signing any formal contract. For this scholarly project a presentation was developed with the purpose of equipping the NP with the needed information to successfully negotiate any new plan or changes in current plans.

## **Description of the Problem**

Nurse practitioners are faced with many changes associated with transitioning from RNs to NPs. It is imperative that they develop realistic expectations regarding compensation plans and benefits packages. Yet, there is a paucity of information available on what to expect regarding compensation and compensation packages. Further, there is little available to guide the nurse practitioner in how to successfully negotiate with potential employers, once an offer is received. Empowering NPs with information regarding these plans will increase confidence during contract negotiation phase. Contracts are legally binding documents and considered to be a promise between employer and employee. A thorough understanding of all items in a contract is essential. Many NPs do not receive any information regarding compensation plans, wRVUs, value added incentive during the formal education process. This requires NPs to complete the learning process when the need arises. If NPs understand the basics involved during contract discussions, then successful negotiations can occur. In addition, nurse practitioners should not sign any contract without a complete understanding of all the components. The results of this DNP scholarly project showed that education regarding negotiating, compensation plans and benefits packages increased the confidence of NP students regarding these matters.

It is difficult for an applicant for a NP position to determine if an offer of employment is competitive due to a lack of available information and difficulty compiling data. The nurse practitioner is then left trying to answer many questions, such as what is a competitive salary? What is the average salary in my community? What are the benefits or perils associated with accepting a salary based on productivity? How can

productivity be measured? It is important to be familiar with the answers to these questions, and many more, before starting the interview process. What is learned from the questions asked of a potential employer will help the NP decide to accept or decline an offer of employment. It is important for the nurse practitioner to “take responsibility for the disparity between experience and compensation and negotiate salaries and benefits that are more in line with the degree of autonomy and skill that the job demands” (Kacel, Miller, & Norris, 2005, p.31). As the healthcare industry is rapidly changing, organizations are attempting to create compensation plans and productivity models that reflect these changes. The parties involved range from human resource personnel to financial officers with little input from clinical personnel. This adds to the confusion of terminology and different expectations. In order for compensation plans or models to be successful, all those involved must have a clear understanding of each other and related expectations.

### **Significance**

One's profession is the single most significant activity that fulfills a lifetime of education and training and a sense of achievement and personal satisfaction (Kacel, Miller, & Norris, 2005). Steinke, Rogers, Lehwaldt, and Lamarche (2017) state “job satisfaction influences employee retention, worker productivity, and performance, and is directly related to NPs' desire to work and to provide quality health care” (p. 31). In order to recruit and retain nurse practitioners, it is important that employers look at factors that improve job satisfaction; as well as those factors that contribute to job dissatisfaction. The expense and time involved with NP turnover affect employers as well as the employees.

A systematic review, published in 2018, found that one of the extrinsic factors that most significantly contributes to job dissatisfaction is salary (Han, Carter, & Champion). The final compensation and compensation packages are certainly important to the individual as it provides them their livelihood. Any increase in salary will increase the average pay of all NPs since compensation offers are often based on the market average. This makes this issue important to the profession as a whole. As individual NPs salaries increase, compensation as a whole will trend up.

With the increased focus on cost and quality, organizations are changing to compensation plans based on productivity. Most productivity models include calculating and tracking wRVUs. Calculation is based on coding and volume of patients seen. Advanced practice registered nurses must have a clear understanding of coding not only for the calculation of wRVUs but also to understanding all variables that can influence their numbers. Some variables include global visits, shared visit, or “incident to” billing. These variables involve the wRVU going to physician instead of the NP. Global visits are a predetermined wRVU amount and usually assigned for a surgical procedure which includes pre- and post-op care that is often provided by NPs. Shared visit and “incident to” billing is when a service is provided by the NP however the billing is under physician; therefore, the physician claims the wRVU. Another variable occurs if the NP is in competition for wRVUs with physicians. (Picard, 2014). This will be important whether novice or expert to comprehend all factors affecting compensation.

Studies suggest that nearly 80% of companies expect for individuals to negotiate their salaries. In fact, many employers will initially offer less money, leaving room for expected negotiations (Hartzell, n.d.). Unfortunately, nearly half of the general

population do not negotiate an offer (Sweeney, & Gossfield, 2013). Nurses fare worse. A 2018 nurse.com salary survey found that only 43% of the time do male nurses “most of the time or always negotiate”, compared to slightly more than one-third of female nurses (Mensik, Hess, Williamson, Cygan, Jimenez, Millineck, 2018). Employees who negotiate their salary increase their annual earnings an average of \$5000 (Sweeney, & Gossfield, 2013). This has important long-term ramifications as well as this initial increase in salary translates to roughly \$650,000 over a career (Marks, & Harold, 2011). Some other issues that need to be addressed during contract negotiations include what type of services the NP will be providing, compensation for continuing education, time off to complete education, type of malpractice insurance, termination conditions, and noncompete clauses (Brown, & Dolan, 2016). With enhanced knowledge on compensation and compensation packages, as well as tools to assist in negotiations, nurse practitioners will be better prepared and feel more comfortable embarking on their job search.

### **Purpose**

The purpose of this project was to determine if educating nurse practitioner students on compensation, benefits packages and negotiating allowed them to feel an increased sense of confidence and understanding of this process so they feel better equipped to fully evaluate and negotiate job offers.

### **Theoretical Framework**

The theoretical framework for this DNP scholarly project is Barbara Carper’s pattern of knowing (Carper, 1975). Carper’s theory was written 40 years ago with an expansion by others, specifically Chinn and Kramer in 2008 (Chinn & Kramer, 2011). The premise for this theory is that there are more ways to knowing besides empirical or

scientific knowledge for nurses. There needs to be an understanding of these patterns for teaching as well as learning for nursing. The four patterns Carper recognized are (1) empirics, (2) esthetic, (3) personal knowing, (4) ethics. Chinn and Kramer took this one step further with the addition of emancipatory knowing.

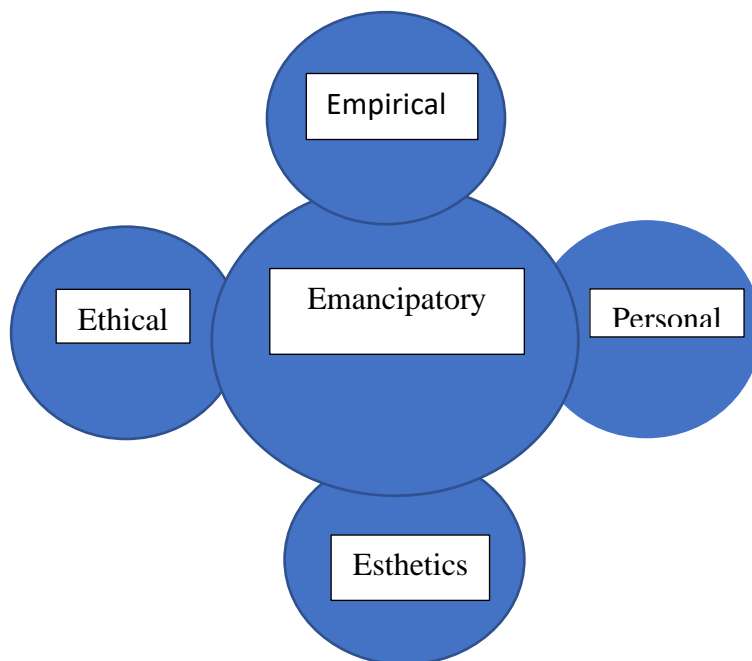


Figure 1-1 Patterns of Knowing (*Chinn and Kramer 2011*)

Empirics or the science of nursing involves objective data such as the facts, descriptions, models, and theories. Moran, Burson, and Conrad (2017) state the question with empirical knowing is “what is this and how does it work?” (p. 103). All aspects need to be understood for nurses to continue to grow. Mantzorou and Mastrogiannis (2011) state Carper’s assumption was “the patterns and structure of nursing knowledge provide the unique perspectives of the discipline” (p. 252). (See Fig. 1-1)



Esthetics is the art of nursing based on direct feeling of experience. Esthetics is subjective and includes such things as empathy, caring, and being in the moment. The question one would ask is “what does this mean, how is this significant?” (Moran, Burson, & Conrad, 2017 p. 103).

Personal knowing involves knowing oneself. Carper states “one does not know about the self, one strives simply to know the self” (Mantzorou & Mastrogiannis, 2011 p. 254). There are 3 components to this learning “(1) experiential knowing such as participating in the world; (2) interpersonal knowing through interactions with others; and (3) intuitive knowing involving knowing something without reason “(Khuan, 2006 p.15). Moran, Burson, and Conrad, (2017) states the question one should ask is “do I know what I do, do I do what I know?” (p. 104).

Ethical knowing involves doing what is morally right. Policies, codes, and standards are expressed as ethical knowing. The question for ethical knowing “is this right, is this responsible” (Moran, Burson, & Conrad, 2017 p. 104).

The final pattern of knowing was introduced by Chinn and Kramer. This is emancipatory knowing which incorporates justice, equity, and transformational care and encompasses all the previous patterns of knowing. There are multiple questions “what is hidden?; what is invisible?; who is not heard?; who benefits?; what is wrong with this picture? (Moran, Burson, & Conrad, 2017 p. 105). Emancipatory knowing considers the social, cultural and political status quo and challenging things that are not right. Incorporating these patterns of knowing into this project will assist the APRN during the entire process.

## **Project Research Question**

A project (practice) question is used when there is a lack of information on a subject of interest to the researcher (Terry, 2018). The “sole intention of exploratory research designs is to make the researcher more familiar with the phenomena being investigated so additional, more precise research questions as well as hypotheses can be generated” (Terry, 2018, p. 23). While information regarding compensation, compensation packages and negotiation skills exist, it only exists in a piece meal fashion, making it difficult for the nurse practitioner to obtain. An extensive literature search did not find any resources that consolidate this information into a single resource. The PICOT format is often used in developing the research question.

The PICOT question for this project is:

Do nurse practitioner students (P) who receive additional knowledge regarding compensation, compensation packages and negotiation skills (I &C) have an increased sense of confidence and understanding regarding compensation, compensation plans and negotiations (O) after receiving an educational program?

The question was broken down into specifics as follows:

1. Do nurse practitioner students have a clear understanding of compensation packages available before education?
2. Do nurse practitioner students have a clear understanding of compensation packages available after education?
3. Do nurse practitioner students understand the role wRVUs play on compensation plans before education?

4. Do nurse practitioner students understand the role wRVUs play on compensation plans after education?
5. Do nurse practitioner students understand the potential components of a bonus before education?
6. Do nurse practitioner students understand the potential components of a bonus after education?
7. Do nurse practitioner students have a clear understanding of benefits packages available before education?
8. Do nurse practitioner students have a clear understanding of benefits packages available after education?
9. Do nurse practitioner students have a clear understanding to complete successful employment contract negotiations before education?
10. Do nurse practitioner students have a clear understanding to complete successful employment contract negotiations after education?
11. Do nurse practitioner students have an understanding of the basic components of a NP employment contract before education?
12. Do nurse practitioner students have an understanding of the basic components of a NP employment contract after education?
13. Do nurse practitioner students have an understanding of the factors (intrinsic and extrinsic) involved with job satisfaction before education?
14. Do nurse practitioner students have an understanding of the factors (intrinsic and extrinsic) involved with job satisfaction after education?

15. Do nurse practitioner students have confidence negotiating contracts before education?

16. Do nurse practitioner students have confidence negotiating contracts after education?

### **Definition of Key Terms/Variables**

There are key terms involved with this project. Nurse practitioners must have a clear understanding of these terms to comprehend all components involved in compensation plans and contract negotiation.

**Advanced Practice Registered Nurse (APRN).** An APRN includes nurse practitioners, certified nurse specialists, nurse midwives and certified registered nurse anesthetists. For the purposes of this project, the term nurse practitioner will be utilized except when directly quoted in articles.

**Center for Medicare & Medicaid Services (CMS).** Part of the Department of Health and Human Services. Oversees Medicare and Medicaid programs (Buppert, 2013).

**Claims made malpractice insurance:** the policy must be in place at the time the act occurred and at the time the claim was made (Brown & Dolan, 2016).

**Cost Center:** a business unit or employee that generates a cost or expenditure through work efforts: the opposite of a revenue center (Pickard, 2014).

**CPT code:** Standardized code assigned to every medical, surgical and diagnostic services. Used by the Centers for Medicare and Medicaid Services (CMS) to determine reimbursement. Every CPT code has an RVU attached to it (Pickard, 2014).

**Gross billing:** the total amount billed to payers for all of the work done by a provider; the total amount billed prior to any deductions or discounts. (Pickard, 2014)

**ICD-10:** International Classifications of Disease – clinical cataloging system which accounts for clinical treatment and medical devices (Brown & Dolan, 2016).

**“Incident to” billing.** Care provided by a nurse practitioner or other non-physician provider (NPP) that is then billed by the physician. To qualify, a physician must provide the initial service, remain actively involved in the treatment plan, and continue to provide direct supervision to NPP. If the NPP changes anything in the plan of care or addresses a new complaint, it cannot be billed “incident to”. Non-physician providers are reimbursed at 85% of the physician fee schedule. “Incident to” billing is reimbursed at 100% (Center for Medicare and Medicaid Services, 2016).

**Institute of Medicine (IOM).** Nonprofit organization providing leadership on healthcare (Institute of Medicine, 2011).

**Net Revenue:** the final amount received from gross billing once deductions and discounts are applied; the final amount received for a provider’s work (Pickard, 2014).

**Occurrence malpractice insurance:** effective if the coverage was in place when the act occurred (Brown & Dolan, 2016).

**Office of Inspector General (OIG).** Works to “fight fraud, waste, and abuse; promote quality, safety, and value; secure the future; and advance excellence and innovation” (US Department of Health and Human Services, n.d.).

**Patient Volume:** the number of patients seen in any given unit of time by individual providers. (Pickard, 2014)

**Pay for Performance (P4P).** Financial incentives given to providers for meeting specific quality measures such as blood pressure goals, A1C control and cancer screenings (Weirs 2010).

**Productivity:** measured in concepts of volume, cost, work effort, and revenue (Pickard, 2014)

**Relative Value Units (RVU).** Created to monetize productivity in health care. Created by combining three factors: work effort (time, skill, expertise, intensity) + practice expense (rent, supplies, staff, equipment) + malpractice expense (professional liability expense) (Pickard, 2014).

**“Shared visits” billing.** Care provided to established patients by both a non-physician provider and physician in which both are actively involved in the visit. The physician must document what they did. “Shared visits” are billed by the physician and reimbursed at 100% (American Academy of Professional Coders, 2018).

**Statute of limitations:** the time allowed for a person to bring a claim (Brown & Dolan, 2016).

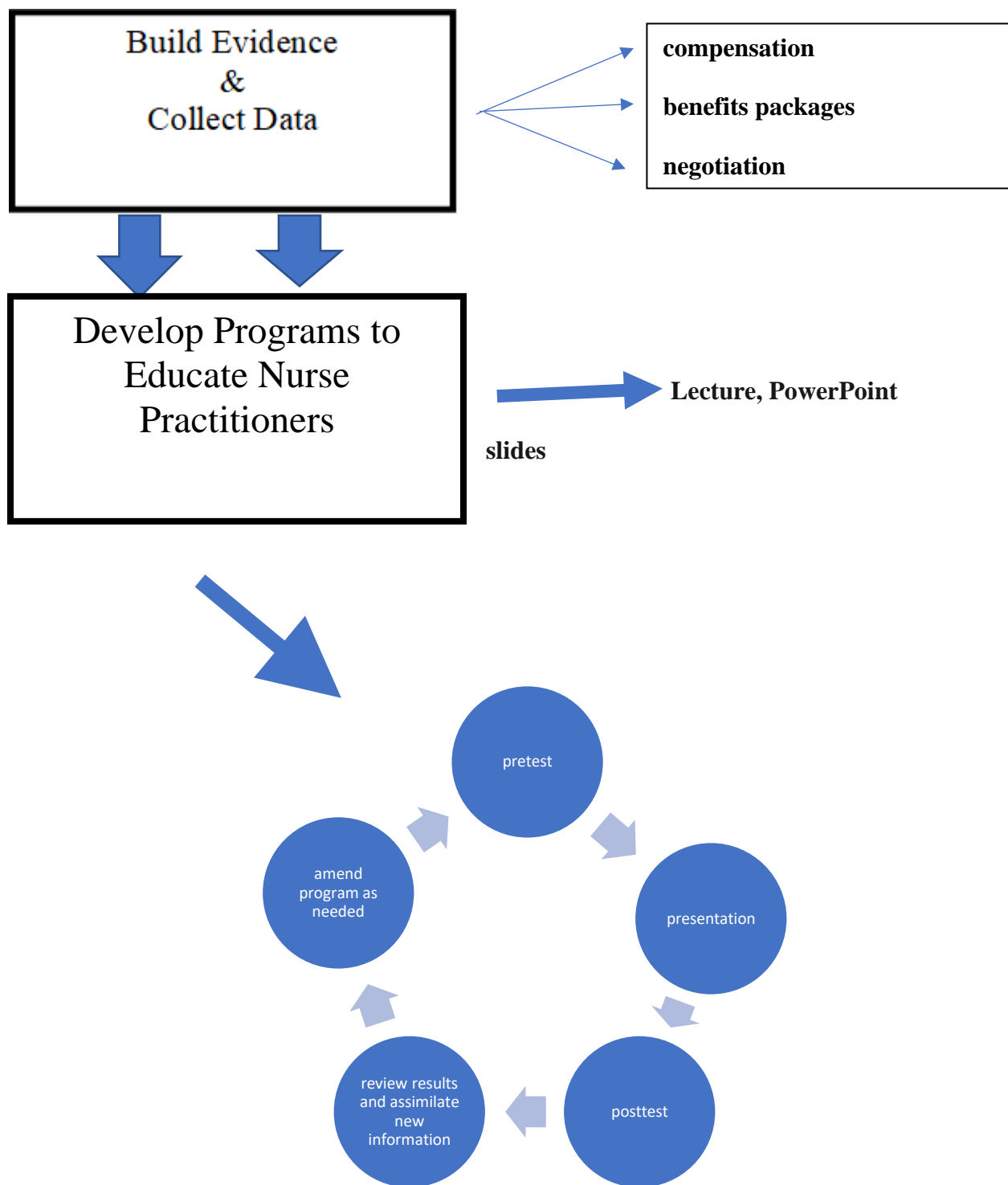
**Tail coverage.** “A provision found within a claims-made policy that permits an insured to report claims that are made against the insured after a policy has expired or been canceled, if the wrongful act that gave rise to the claim took place during the expired/canceled policy” (Internal Risk Management Institute, Inc, n.d.).

**Value-added services:** measured by the perceived or actual benefits gained despite costs (Pickard, 2014).

**Work Revenue Value Unit (wRVU).** “Reflect(s) the relative time and intensity associated with providing a service and equals approximately 50% of the total payment (Rhodes, Bechtle & McNett, 2015, p. 125)

### **Logic Model**

The development of a logic model for this DNP scholarly project began with the review of literature, population to be studied, and continued education. The plan was then coordinated with development, administration and calculation of the pretest to participants. Prior to the classroom lecture (intervention), the students completed a pre-test regarding the lecture content. After the intervention, the students were administered a posttest, assessing their knowledge. The results were determined to be statistically significantly. Based on student feedback, small changes were made to the program (See Fig. 1-2). It is important for NPs to have this information for fair compensation packages and any future contract negotiations. Nurse practitioners are the future of healthcare and can influence changes for all others who will follow. The logic model represents the processes to be taken during this scholarly project. Any variations determined will be made during the process and documented accordingly.



*Figure 1.2 - Logic Mode*



**Summary**

Nurse practitioners have been providing exemplary, cost effective care for over 50 years. With the aging population, and the projected shortage of primary care physicians, NPs will continue to fill this void. As nurse practitioners enter the job market, whether it be for the first time or not, there are minimal resources available to help assess compensation and benefits packages. The dynamics seen in healthcare requires NPs to stay current with all data whether clinical or business related. Unfortunately, most business aspects of healthcare are not adequately addressed during an NPs formal education due to the volume of clinical information required. This leaves much of the information needed for contract negotiations left to each individual NP. The healthcare system is responsible for developing contracts that are often led by legal, human resources and financial personnel who are familiar with the language and terminology involved with compensation plan and contracts. Education targeted for NPs to improve confidence with this process will be beneficial to all involved.

## **Chapter II**

### **Evidence/Integrated Review of Literature**

The literature available to nurse practitioners (NPs) regarding negotiating contracts and understanding compensation plans is limited and incomplete at times. While several articles tackled a single issue, or parts of an issue, a single resource dedicated to educating nurse practitioners on information specifically pertaining to nurse practitioner salaries, benefits packages and negotiation skills could not be located. As healthcare continues to change with an emphasis on autonomy for NPs, it becomes essential NPs understand all aspects of employment. A clear understanding of all aspects related to employment leads to job satisfaction, quality of care, and less turnover. Steinke, Rogers, Lehwaldt, and Lamarche (2017) state “job satisfaction influences employee retention, worker productivity, and performance, and is directly related to nurse practitioners’ (NPs’) desire to work and to provide quality health care” (p. 31). This translates to improved access for those needing primary healthcare. Unfortunately, many of these issues are not addressed in nursing schools, whether entry level nursing or doctoral prepared nurses.

The review of literature was completed utilizing PubMed, CINAHL, Google Scholar, Summon, Yahoo, and professional peer reviewed journals. The information related to this project does not have any specific clinical practice guidelines with the

majority of the information obtained from review articles. Some of the results are from surveys and qualitative research. The Pittsburg State University AXE library was utilized with the following keywords: APRN salary and compensation packages, NP and salary, APRN salaries and RVU, NP and RVUs, relative value units, pay for performance, incentive pay, malpractice insurance, job satisfaction, gender differences in nurse practitioner salaries, nurse practitioner's salary, new NP and negotiating salaries, and NP negotiation. Due to the limited data, articles 12 years or newer were accepted. The results of the search produced 49 articles.

Nurse practitioners need to be aware of the various compensations plans to successfully negotiate contracts. A clear understanding of productivity and relative value units (RVUs) is essential for employment whether novice or expert. Negotiating contracts requires knowledge of all components expected and questions to ask to understand the systems future plans or any problems. The NP must also realize quality of care provided by NPs in comparison to physicians and the importance of education of all responsible parties.

This chapter will cover compensation plans, salary, productivity, relative value unit's, contract components, contract negotiations, and quality of care.

### **Compensation Plans**

The literature review revealed several compensation plans for NPs. Registered nurse pay consists of salary or hourly wages with some variations for experience, specialty areas, and shift differentials. NP pay can vary with specialties and occasionally, experience. However, there are other elements for NPs related to compensation plans.

Salary has been determined to significantly contribute to nurse practitioner job dissatisfaction. It is therefore imperative for NPs to understand the basics of salary and benefits packages and how best to negotiate for their interests. NP salary consists of three possible components: base, bonus and productivity. Productivity includes revenue value units (RVUs) and pay for performance (P4P). It is important that NPs are familiar with how many RVUs they can expect to generate, as well as the pitfalls of productivity-based pay. Multiple bonus plans are available as part of a salary. The potential components of a benefits package include general as well as professional benefits; and malpractice insurance. There are several important contract considerations as well, such as noncompete clauses and termination clauses. There are several basic principles involved in negotiations. Salary negotiations have their own set of principles and recommendations.

**Salary.** A 2017 Nurse.com national survey lists the total average salary of master's prepared nurses is \$90,286 (Mensik, et al., 2018). The American Academy of Nurse Practitioners Fact Sheet (2018) reported the mean, full time salary for an NP was \$105,546. The Bureau of Labor Statistics (2017) website provides salary information for NPs in multiple industries; by metropolitan area; mean and median hourly and annual wages; as well as percentiles. The Bureau of Labor Statistics reports the mean annual wage for NPs, nationwide is 107,480; in Joplin it is \$92,320. The mean hourly wage nationally is \$51.68; in Joplin it is \$44.39. The median annual wage nationwide is \$103,880; and in Joplin it is \$93,260. The median hourly wage nationwide is \$49.94; and \$44.84 in Joplin (Bureau of Labor Statistics, 2017).

One source (Kleinpell, & Perez 2006) described how to convert an offer that is made at an hourly rate, to a yearly salary. This is done by multiplying the hourly wage and the number of hours worked per week. Then, multiply that figure by 52, which is the number of weeks in a year. For example, if offered \$51.99/hour and this is a full-time position, you would multiply \$51.99 (hourly wage) x 40 (number of hours worked in a week) x 52 (weeks per year) = \$108,139.20 (Kleinpell, & Perez, 2006). The reverse is also true. If a yearly salary of \$105,000 is offered, that translates to  $\$105,000/40$  (hours per week)/52 (weeks per year) = \$50.49/hour. Similarly, if offered \$85,000 to work a 30-hour week, that would be  $\$85,000/30/52$ .

Important salary considerations include number of hours worked per week; administrative time; on-call time; and any overtime compensation or comp time. It is also important to determine the number of hours in a workday that will be dedicated to seeing patients and how much time will be allowed for administrative responsibilities, such as refilling prescriptions, responding to emails and phone calls (Brown & Dolan, 2016; Kleinpell & Perez, 2006). A nurse practitioner's salary can be divided into three basic components: fixed salary, productivity, or salary plus a productivity bonus (Satiani, Nair, Starr, & Samson 2014). Incentives are frequently tied to a predetermined productivity.

**Productivity.** Productivity as stated by Pickard, (2014) focuses on “the amount of work product created given a fixed number of resources and employees” (p. 1). When relating this to healthcare it involves the amount of clinical services provided, the billing activity of the designated providers, and the intensity of the work completed. As healthcare continues to evolve with more focus on cost, productivity becomes an important aspect to measure for all providers, including NPs. Rhoads, Ferguson, and

Langford, (2006) defines nursing productivity for nurse practitioners (NP) as “proof or evidence of how effective the NP is in his/her labor, job setting, or how efficiently she/he handles resources or equipment” (p.32). Since NPs are considered providers, the pay structure is transitioning to productivity models, similar to physicians. Productivity is not as simple as counting the number of patients seen. Rhoads, Ferguson, and Langford, (2006) state productivity is typically based off of the total of gross charges, total net medical revenue, total cost, patient panel size and growth, office hours, and procedural volume (CPT codes). It is imperative NPs understand all these components when accepting a new position. This is not an easy concept to measure and/or understand.

There are many external factors which can influence patient care to include individual differences in patients’ symptoms and co-morbidities. With this variation there are a number of ways productivity can be measured. Pickard, (2014) states simple methods such as patient volume, gross billing, and net revenue can be used; however, this method is limited and can provide an incomplete picture of care provided. The concept of relative value unit (RVU) was created to provide an accurate, standardized method for measurement of productivity.

**RVU and wRVU.** The main component of RVU is the assignment of Current Procedural Terminology (CPT) codes. CPT codes describe medical, surgical, and diagnostic procedures. CPT codes are important to understand as the Centers for Medicare and Medicaid Services (CMS) use the codes for reimbursement. Pickard (2014) defines RVU as the measure of three factors: work effort, practice expenses, and malpractice expenses as illustrated in Figure 2.1

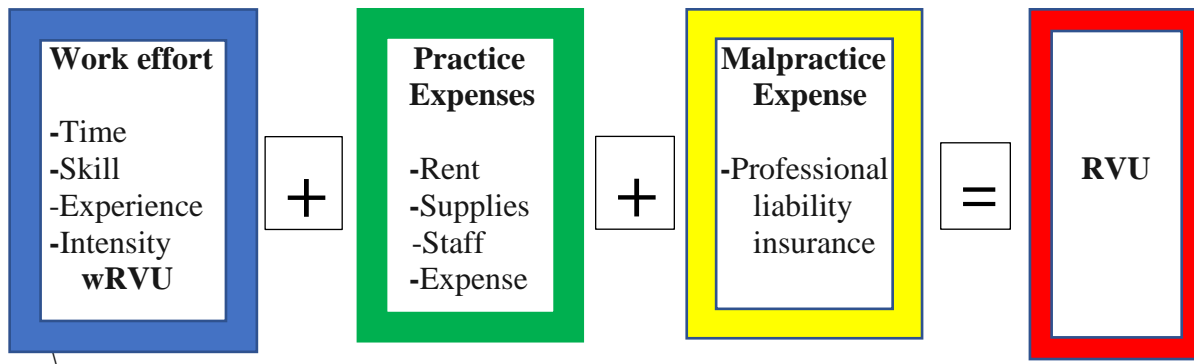


Figure 2.1 – Factors included in RVU (Pickard, 2014)

Work effort or wRVU is the direct result of the providers use of codes for services completed. A thorough comprehension of coding using CPT codes, billing for time, and documentation determines an accurate calculation of wRVU.

Rhodes, Bechtle, and McNett, (2015) state RVUs “reflect the relative resources required to furnish the physicians fee schedule service” (p. 125). CMS and other insurance providers use the Medicare Physician Fee Schedule (MPFS) for reimbursement of services. The three factors listed in figure 2.1 are used in the calculation of payment using MPFS. The work wRVUs does equal approximately 50% of total expense. Most models for NPs are structured similar to the physician model. In states without full practice authority, there are limitations seen with a productivity model.

RVUs are a standardized payment formula determined by the Medicare Centers for Medicare and Medicaid Services (CMS) and are an attempt to quantify patient complexity. RVUs are based on CPT codes and reflect the time it takes to perform a given service, the necessary technical skill, the mental effort and judgement required of the provider and the liability risk associated with providing that service (Pickard, 2014).

It equals approximately 50% of the total payment received for a service. CMS and private insurance companies use RVUs to reimburse physician services.

***How many RVUs can a nurse practitioner expect to generate?*** Buppert (2013) noted that she is unaware of a good source for median annual RVUs for nurse practitioners. She states that for physicians, the median annual RVUs for Family Practice is 4,825; Internal Medicine is 4,795; Peds is 4,871 and OB/GYN is 6,714. A 2017 study by the American Medical Group Association (AMGA) found that the median number of RVUs a nurse practitioner in primary care generated was 3,273; Family Practice was 3,327; Hospitalist, 2,104; Internal Medicine, 2,982; and Pediatrics, 3,947 (American Medical Group Association, 2017).

***Pitfalls of productivity-based pay.*** RVUs do not take into account time spent in non-revenue generating services. This would include services such as records review, care coordination, phone calls, letter writing, documentation, medication refills and preoperative teaching. A 2013 time and motion study (Ogunfiditimi, Takis, Paige, Wyman, & Marlow, 2013) found that inpatient Advanced Practice Providers (APPS) spent slightly more than 35% of their time on non-revenue generating activities. APPs working in an outpatient environment spent slightly more than 38% of their time on non-revenue generating activities.

Buppert (2013) notes for an RVU system to be meaningful, every visit and code needs to be properly recorded. The provider needs to have a thorough understanding of the use of modifiers, for instance, and which services can be billed separately. Wiers (2010) states NPs tend to underbill and that it is imperative coding be done accurately for an RVU system to work. She also notes that in an office that utilizes NPs in seeing



overflow patients once the physician schedules are full, productivity pay is unlikely to be profitable. Further considerations include RVUs do not measure the quality of care a patient receives; they do not reflect patient outcomes; nor do they figure in patient satisfaction (Rhoades, Ferguson, Langford, 2006). A further consideration is the support the practice provides for seeing the expected number of patients (Rhoads, Ferguson, & Langford, 2009). If there is not adequate time and space, the NPs time may be spent in non-revenue generating activities, such as rooming, drawing blood, etc. Kleinpell & Perez (2006) recommends that new graduates not enter into productivity-based salaries and bonus arrangements as they are developing their patient base, and do not have the skills necessary to optimize their revenue generating potential.

Pitfalls in the use of RVUs specific to nurse practitioners include the fact that an RVU system does not recognize the productivity of an NP if a practice utilizes “incident to” billing. This type of billing allows a practice to bill for clinical services under the physician, regardless of who actually provides the service. This maximizes the reimbursement, but the NPs productivity is therefore hidden. One study found billing under one’s own NPI number and having a one’s own patient panel was associated with an increase of nearly \$3500, in an average yearly salary (Greene, El-Banna, Briggs, & Park, 2017). Another type of billing that results in hidden NP care is pre and postsurgical care. Surgical services are billed as a global visit. Therefore, an NP who is providing pre and postsurgical care to patients does not accrue RVUs, as this care is considered to be included in the overall surgical care (Pickard, 2014).

**Salary versus hourly wages plus bonus potential.** Nurse practitioners can also be compensated by hourly wages or base salary as seen with registered nurses. Bonuses

can be included using a variety of metrics. Bonuses can be based on value, exceeding predetermined RVU limit, or other parameters. Some bonuses are distributed quarterly while others may be yearly. NPs must understand requirements for all bonus structures.

**Job satisfaction.** For nurse practitioners to make informed decisions, and to recruit and retain nurse practitioners, it is important that NPs and their employers are familiar with factors that improve job satisfaction, as well as those that contribute to job dissatisfaction. A systematic review on APRN job satisfaction (Han, Carter, & Champion, 2018) found that intrinsic factors such as autonomy, favorable practice environment and work meaningfulness were contributors to job satisfaction. The most significant dissatisfiers were extrinsic factors, with monetary issues being the single biggest contributor. Satisfied nurse practitioners are more likely to stay in their current position, thereby reducing the costs associated with employee turnover.

**Pay for Performance (P4P).** Pay for performance programs remunerate providers and hospital systems for achieving previously defined quality measures. These measures are typically evidence-based measurements such as Physician Quality Reporting Initiative (PQRI). This includes measurements such as hemoglobin A1C control, blood pressure control in hypertensive patients, and screening for fall risks in elderly patients (Mackey, Rooney, & Skinner, 2009). For P4P to be successful, goals and benchmarks need to be clearly defined. Data collection must also be accurate, timely and available to the NP (Mackey, Rooney, & Skinner, 2009).

**Other ways to measure productivity.** Employers may measure productivity in other ways, include the number of patients seen per day/week/month/quarter; number of

new patients brought into the practice; gross billing; net revenue; patient panel size; and CPT or procedural volume (Pickard, 2014).

**The gender earnings gap.** A study published in the Journal of the American Association of Nurse Practitioners (2017) found that male NPs consistently out earned female NPs, by \$15,205 (Greene, El-Banna, Briggs, & Parks, 2017). When controlling for work setting, demographics, number of years since graduation from an NP program and clinical practice, the gender gap persisted, at \$12,859. As table 2.1 below demonstrates, the gender gap exists with nurse practitioners, regardless of when the NP completed their degree.

Number of Years Since NP Graduation	Earnings Gap*
0-4 years	\$7,405
5-9 years	\$15,605
10-14 years	\$10,095
15-19 years	\$11,680
20+ years	\$21,090

Table 2.1- NP earning gap between genders (Greene, El-Banna, Briggs, & Parks, 2017).  
\*with male NP pay exceeding yearly average of female NP pay

### **Contract components**

Most NPs will sign a contract at the beginning of employment. There are several components necessary in basic contracts. The NP must understand the basic components in contracts to assure successful negotiation. According to Brown and Dolan, (2016) the majority of NPs in the workforce will utilize employment contracts. An employment contract is signed by all parties and considered a legally binding document. If the NP

signs the contract and does not understand all elements, it still may stand legally. The employment contract cannot be confused with collaborative practice agreement. The collaborative practice agreement is signed by the NP and collaborating physician in states which NPs cannot practice independently. The components will be discussed below as described by Brown and Dolan, (2016).

**Status.** This is to determine if the contract is employer-to-employee or independent contractor. Taxes will be taken out for employer-to-employee and independent contractors will be responsible for own taxes as well as malpractice insurance. If there is a question regarding the type of contract, the courts will consider such factors as the amount of control the NP has over the type of work performed, workplace setting, hours, schedule, and benefits. The more control the NP has, the more likely he/she is considered an independent contractor (Brown, & Dolan, 2016).

**Service.** Brown and Dolan, (2016) define services as what services the NP will be providing and how frequently patients will be seen. Aspects related to service include: Will supervision be done by physicians? Will the physician perform the initial work-up and NP complete follow-up visits and what is the extent of care? In order to reduce any confusion having a complete job description will alleviate any concerns. Other areas to be covered in service include an understanding of start date, expectations of number of patients seen, time allowed to build practice, learn electronic health records (EHR), and billing process. The number of hours per week, on-call time and responsibilities on-call, and any overtime compensation are other areas the NP will need to understand.

**Salary.** As previously mentioned under compensation plans there are numerous plans regarding salary and salary structure. The questions NPs should ask are: how, how much, and when payments will be made? Brown and Dolan, (2016) state productivity-based compensation is generally not recommended for new NPs because of the risk of fluctuation in pay while building practice. An NP may receive a lower base salary with bonus potential every quarter. The NP must understand all elements of salary and bonuses. Additional information could include sign on bonus, merit programs, and ability for profit sharing.

**Continuing education/documentation/quality improvement.** The NP must know if and how much money is allowed for continuing education to include professional journals, fees, licensing fees, and tuition reimbursement. Also, will time be allowed for education, documentation, and Quality Assurance? The NP should determine if a laptop will be provided, quality internet access, and literature access such as UpToDate (Brown and Dolan, 2016).

**Benefits.** The benefits allowed for all employees should be given to the NP in an employer-to-employee contract. In the employer-to-employee contract the employer will deduct taxes. It is recommended to consult tax specialists for any concerns. The benefits include vacation time, illness pay, medical and dental insurance, maternity leave, daycare, life insurance, long-term care, and any pension plans (Brown and Dolan, 2016).

**Malpractice.** It is important to understand who will be responsible for the payment of the NP's malpractice insurance: the employer or employee? The NP must also ask who will pay for malpractice insurance when volunteering. There are two basic policy types of malpractice insurance. The first policy is occurrence-based and is

effective if the coverage was in place at the time the act occurred. The second policy is claims-made and the policy must be in effect at the time the claim was made. If an NP has claims-made insurance, then the NP must have a “tail” coverage upon leaving the employer. The “tail” coverage extends the insurance through a specific time period, which is usually the statute of limitations. The contract should stipulate who is responsible to purchase “tail” insurance if needed (Brown and Dolan, 2016).

**Terms and termination.** Most contracts are good for one year and need updated and signed annually. Contract termination details should be listed such as how many days are needed to terminate the position. This can vary depending on area and specialty with most ranging from 30 days to three months (Brown and Dolan, 2016).

**Non-compete and non-solicitation.** Some employers may attempt to prevent the employee from practicing near the former practice area for a certain timeframe (Brown & Dolan, 2016). Brown and Dolan, (2016) also state if the timeframe and distance seem unreasonable, this may be a red flag in this contract.

### **Negotiation of Contracts**

As NPs provide care, including primary care, an understanding of contracts and negotiation is needed. An additional aspect NPs must understand is the fact that healthcare industries are focusing on cost, quality, and increased access. These points are necessary to ascertain when negotiation contracts. This will allow the NP to understand expectations from the employer. DeCapua (2017) states one should never accept the first offer and should ask for a raise without anxiety the employer will harbor resentment or be offended at request for higher pay. DeCapua (2017) states 57% of men will negotiate salaries which results in a 7.6% increase in the first offer. This is compared to 10% of

women who negotiate salaries (p.1). Salary research must be done by the NP prior to beginning the process. The American Association of Nurse Practitioners conducts national surveys of nurse practitioners by specialty.

Dillon and Hoyson, (2014) claim the employment experience will vary based on if the employer has experience with NPs. When an NP is new to the practice, they may assume a leadership role and can set standards for future NPs. If the employer does not have experience, the NP must be knowledgeable in salary expectations for the area and the number of patients expected to treat with adjustments to the numbers in six months and one year. The NP must be aware of practice and malpractice expenses as this can range from 20-50%. The expenses will need to be adjusted from the revenue generated. One must ask if credentialing is required as this process can take up to three months in some cases. An application for national provider identifier (NPI), Medicare provider enrollment, and Medicaid application will need to be obtained in order for reimbursement of services. Another question for the employer is how billing will occur? Will the billing be completed under the NPs own Medicare number at 85% rate of the physician or will it be billed "incident to"? "Incident to" billing can only occur in the outpatient setting. When a bill is completed as "incident to" it is reimbursed at 100%, however there are some requirements to this type of billing. The patient must be treated under direct supervision of the physician. The physician does not need to see the patient or sign off on all documents but must be directly available in the office to provide assistance. The physician will need to see all

initial or new patients and the NP can treat follow-up visits. During the negotiation process the NP must understand the collaborative agreement in states which require collaboration.

Kleinpell and Perez, (2006) developed a negotiation assessment worksheet (see Table 2.2).

<b>Practice Assessment</b>	<b>Organizational Analysis</b>	<b>Reimbursement Structure</b>	<b>Contract Terms</b>
<ul style="list-style-type: none"> <li>-Type of clients most often seen in practice</li> <li>-Common diagnoses that are managed</li> <li>-Average number of inpatients *</li> <li>-Average number of admissions*</li> <li>-Average number of patients seen per day</li> <li>-Common procedures performed for patients</li> </ul>	<ul style="list-style-type: none"> <li>-Is practice affiliated or owned by an organization, practice management plan, or hospital</li> <li>-What is the financial status of the practice – are any mergers or acquisitions pending?</li> <li>-Is there a business plan for the practice?</li> <li>-What is the performance or the practice on quality indicators</li> </ul>	<ul style="list-style-type: none"> <li>-Type of payment mechanisms used by the practice</li> <li>-Medicare, Medicaid, insurance, managed care contracts</li> <li>-What reimbursable services can be provided by the NP?</li> </ul>	<ul style="list-style-type: none"> <li>-What is the proposed length of the employment contract?</li> <li>-How can terms be renegotiated?</li> <li>-What is the required advance notice for termination?</li> <li>-What is the timeframe for contract review or renewal?</li> </ul>

Table 2.2 Negotiation worksheet. (Kleinpell, & Perez, 2006)

\*if applicable for hospital coverage

It is recommended if the NP has any questions or concerns regarding the contract that they obtain legal review by an attorney versed in contract law (Kleinpell, & Perez, 2006).

Nearly 50% of job candidates fail to negotiate an initial offer of employment (Sweeney & Gosfield, 2013). Negotiating a higher salary can make a tremendous impact on lifelong earnings. Even if a salary is non-negotiable, there are other benefits that may be. It is imperative to know what you want and how to ask for it.

**Basic principles.** “Essentials of Negotiating for Employment in a Changing Environment”, published in Journal of Vascular Surgery (Satiani, Nair, Starr, & Samson,



2014), discuss four basic assumptions of negotiating: be clear about your goals; be aware of emotional goals; recognize outcomes consistent with these goals; and pay attention to the relationship with the other party. Know that neither side should expect to get everything it wants and be prepared for compromise.

**Salary negotiations.** The New York Times, in their article entitled, “Why You Should Tell Your Co-Workers How Much Money you Make” (Herrera, 2018), noted that since the National Labor Relations Act was passed in 1935, it is unlawful for private sector employers to prohibit employees from discussing their wages. Discussions with contemporaries regarding salaries can be a powerful tool to fight pay inequity. The article recommends focusing on the salary and not the person. Another way to approach the situation, is to ask an individual if they can provide the salary range for the position for which you are applying.

Andrew Waite, in his article entitled, “Salary Negotiations” (2015) stated that determining a salary range is more science than art. Most employers have a rubric that is based on specific experience levels and is typically based on the going wage in that geographic area. Within that range however, there is typically some leeway. When discussing salary, employers are often willing to share the minimum and midpoint of a position’s salary range (Waite, 2015).

When asked the salary expectation, it is appropriate for the NP to respond that they expect to “receive a salary commensurate with my years of experience in the field” (Anonymous, 2018). The same article reports if a potential employer persists with questions about salary expectations, it would then be appropriate to provide a range. In some states it is not legal to ask what an employee’s current salary is. It would be

important to know and reference this, as appropriate. In other situations, an appropriate answer might be that the current salary is below market at X, and that based on experience, qualifications and knowledge of the market, an adequate salary would be between X and Y (Anonymous, 2018).

If a lower than expected offer is received, state the offer itself is exciting, but is lower than expected. Then, ask if they have negotiated with candidates in the past. If the salary is non-negotiable, it would be appropriate to discuss any other options that are important to the NP, such as a four-day week, additional paid time off, etc. (Anonymous, 2018). Remember, it is the NPs responsibility to negotiate. Know what is wanted and know what will be accepted.

It is recommended that pay is prioritized in job negotiations, as earning potential compounds (Waite, 2015). Employees that negotiate their salary increase their annual salary on average of \$5,000 per year. “Assuming a 5% average annual pay increase over a 40-year career, a 25-year-old who negotiated a starting salary of \$55,000 will earn \$634,000 more than a non-negotiator who accepted an initial offer of \$50,000” (Sweeney & Gosfield, n.d.). Satiani et al (2014) recommends that an initial offer should never be accepted. Rather, a time for further discussion should be determined.

### **Quality of Care**

Patient access to primary healthcare continues to decline. There are several factors to this decline to include the following: fewer physicians entering primary care, aging population, and restriction on NPs as well as various compensation plans. The number of NPs is increasing. According to the American Association of Nurse Practitioners (AANP) NP Facts (2018a), there are “more than 248,000 nurse practitioners (NPs) licensed in the

United States” (p. 1). Enrollment in NP programs continue to rise. As registered nurses (RNs) transition to NPs responsibilities, roles, scope of practice, and compensation plans are changing. NPs must be aware of expectations to assure quality care and job satisfaction.

Providing quality of care to all patients is paramount. It is essential quality primary care is available for all patients. McCleery, Christensen, Peterson, Humphrey, and Helfand, (2014) state there is no difference in health status, quality of life, mortality, or hospitalizations favoring either advanced practice registered nurses (APRN) or physician care in primary and urgent care settings. Stanik-Hutt et al., (2013) also stated that there is a high level of evidence indicating better serum lipid levels in patients cared for by NPs in primary care settings. They also indicated that patient outcomes on satisfaction with care, health status, functional status, number of emergency department visits and hospitalizations, blood glucose, blood pressure, and mortality are similar for NPs and MDs.

The Doctor of Nursing Practice (DNP) graduate must understand how NPs can provide primary quality care equivalent or better than physicians. The Institute of Medicine (IOM) (2011) states APRNs must be allowed to practice at the highest level of education. According to AANP (2018b) State Practice Environment map there are currently 23 states (including the District of Columbia) with full practice authority. Sixteen states have reduced practice and 12 states with restrictive practice. NPs with reduced or restrictive practice are not able to practice at highest level of education which can influence quality of care delivered. NPs must understand their individual state's

scope of practice before signing any contract to assure they are practicing at the highest level allowed by the state.

Shea (2015) stated “job satisfaction influences employee retention, worker productivity, and performance, and is directly related to NP’s desire to work and to provide quality healthcare” (p. 31). Shea (2015) completed a grounded theory approach unlike others that relied on quantitative design. The findings identified NPs having job satisfaction when able to provide holistic care and being valued as a professional. When accepting a new position, the NP must have thorough knowledge regarding expectations.

Ryan and Ebbert, (2013) discuss perceived beliefs and barriers nurse practitioners face. They continue with acknowledging NPs as critical players in primary care, recruiting more nurses into advanced practice and identifying strengths and obstacles in that environment become important. Ryan and Ebbert, (2013) discovered “having information, support, resources, and opportunities to learn and grow increase self-confidence and self-determination and impact performance outcomes” (p. 432). This finding is consistent with the others regarding education or having the information to improve satisfaction and quality of care.

## **Summary**

The review of literature indicates a need for a single resource for nurse practitioners to utilize when preparing for employment and negotiations. It is imperative that nurse practitioners are prepared to fully discuss compensation plans and benefit packages. They must also feel comfortable negotiating for any changes they desire in an offer. Currently there is minimal information available for NPs to reference regarding these matters, and what exists is not easily compiled.

When embarking on a career change, it is imperative that nurse practitioners have a thorough understanding of the potential components of a salary and bonus plan. If a salary offer includes a productivity component, it is critical to understand the benefits and pitfalls. A familiarity in gender earnings gap, specific to NPs is important; as are the types of bonus packages. In addition to compensation, a NP must be well versed in potential components of a compensation package, including elements not likely applicable to our work previously. This includes such things as malpractice insurance, general and professional expenses. A nurse practitioner must have a basic comprehension of components of a contract, as well. Finally, an NP must have a basic knowledge of negotiations. The NP must keep abreast of changes that continue to occur in healthcare related to compensation plans and contracts. This will be an evolving project requiring constant review of new literature as it becomes available.

All the necessary components to start in a new position can become confusing and frustrating. There is little education for NPs regarding this process in schools as there is limited literature available. This DNP scholarly project is aimed at providing the information needed for NPs whether currently enrolled in NP programs or an expert NP to have the knowledge base necessary for understanding employment contracts resulting in successful negotiations. This can help alleviate any additional stress during these times. Assuring these expectations are understood can promote quality care and job satisfaction.

As the information regarding education for NPs with the above-mentioned process this project will try to provide more information to be available to all NPs

whether in the form of classroom education, webinars, or on-line sites to obtain the necessary information.

## **Chapter III**

### **Methods and Plans**

#### **Project Design**

The PICOT question for this research project was “Do nurse practitioner students who have additional knowledge regarding compensation, benefits packages and negotiations have an increased sense of confidence and understanding regarding compensation, benefits packages and negotiations after receiving provided education?” As previously discussed, access to timely and accurate information regarding compensation and compensation packages, specific to nurse practitioners, is imperative to making a sound, educated decision regarding employment offers. NPs must enter the interview process prepared to discuss all aspects of compensation plans and benefits packages, as well as feel confident in their ability to negotiate vigorously for their interests. It is the authors’ contention that at this time it is difficult to determine if an offer of employment is competitive as available information is often outdated, too specific or too generalized. The authors’ interest in this subject matter grew from frustrations experienced in finding timely, reliable information pertaining to RVU salary packages.

The ultimate goal of this project was to develop a program that can be presented to students to educate them on the particulars of nurse practitioner salary, benefit packages and negotiations, so they are prepared for the interview process. To determine if

the program was successful in meeting these goals, students were given a pretest, to test their comfort level surrounding these issues. Students then attended a ninety-minute live presentation regarding these subjects. After the presentation, the same test was administered, again measuring their comfort level.

### **Sample/Target Population**

The population studied for this project were nurse practitioner students currently enrolled in the Family Nurse Practitioner, BSN to DNP program at Pittsburg University (PSU), in Pittsburg, Kansas. The educational program was conducted during the summer semester, 2019. The population studied was a convenience sample. The faculty advisors for this program facilitated the time and audience for the presentation of education component. Students were excluded if they were enrolled in the MSN – DNP program, as it was felt they likely had more experience in these areas due to their time in the work force and were not actively seeking new employment.

**Protection of human subjects.** The Pittsburg State University Committee for the Protection of Human Research Subjects (CPHRS) paperwork was submitted and approval for the project obtained. The research presented no more than minimal risk of harm to subjects and involves no procedures for which written consent is normally required outside of the research context. The information obtained from the pre-posttest survey, was evaluated and recorded such that the subjects cannot/will not be identified directly or through identifiers. Full confidentiality and anonymity was maintained. All data collected will be destroyed after publication and stored in a locked box until that time. The potential benefits to the subjects was obtaining beneficial information pertinent to their



upcoming career search. No compensation was offered to the participants. No risks were identified.

### **Instruments**

The variables from the research question for this study were confidence and an increase in knowledge regarding compensation plans and contract negotiations. The expectation was there will be an increase in confidence and knowledge regarding compensation plans and contract negotiations when additional education is provided. The participants consisted of registered nurses (RN) enrolled in the BSN-DNP program at PSU during the summer semester of 2019. The questions in the pre-posttest assessed the students understanding and confidence in compensation plans, contract negotiations, benefit packages, and job satisfaction. The data was analyzed for any statistical change.

The project employed a pretest-posttest design, with utilization of a 5-point Likert Scale f (See Appendix A) for quantification of responses. Information from participants regarding number of years' experience, gender, and main area of practice as an RN was also collected on the pre-posttests. A structured educational intervention to all participants consisting of information obtained from research of the literature was completed (See PowerPoint presentation, Appendix C). Both the pretest and posttest were completed in approximately 10 minutes each. The time allotted for pre-posttest, education, and questions was 90 minutes. A review of the pre-posttest was conducted by the authors. The answers with higher numbers (4 and 5 or agree and strongly agree) correspond with a sense of confidence and understanding of the information for each question. The pretest was compared to posttest for significant changes.

## **Analysis of Data**

The data collected was ordinal with both parametric and nonparametric statistical analyses completed. The *t*-test was utilized for parametric statistical analysis with a comparison of each question on pre-posttest for individual participants. From the research question, two hypotheses were created for this project. The two hypotheses were research and null hypothesis and are as follows:

- Research hypothesis: There will be increased confidence and understanding regarding compensation plans and contract negotiations with additional education.
- Null hypothesis: There will be no change in confidence or understanding regarding compensation plans and contract negotiations with additional education.

Regardless of the outcomes obtained during this project, dissemination of all finding is essential. The development of future projects, education, and /or research can be recommended once all data is assimilated.

## **Procedure**

Once approval from the scholarly project committee members and IRB approval from Pittsburg State University was obtained, the faculty in NURS 828 Primary Care III was briefed on project details. The date scheduled for administration of pre-posttest and education to the students is June 12, 2019. Due to the small number of participants (13 students) there was only one group analyzed. This was considered a focus group format.

The participants randomly received a packet containing a pretest and a posttest with the same number on each test in order to compare tests individually. Once the

participants completed the pretest, it was collected and secured. The education component took place with questions answered and completion of the posttest. These tests have been secured by the authors until publication of information. A course evaluation (See Appendix B) was completed at the end of the posttest. Anonymity was maintained throughout the entire process.

Resources needed to complete the study were the cost of printing pre-posttest and course evaluations, and time spent by authors analyzing the collected data. The audio-visual equipment in the Pittsburg State University classroom for the presentation was utilized.

### **Treatment of Data/Outcomes/Evaluation Plan**

The education course and pre-posttest were designed from the data obtained during review of literature and based on objectives for this scholarly project. The objectives for the scholarly project are as follows:

- To provide nurse practitioners (novice or expert) the knowledge base regarding various compensation plans.
  - Define compensation wRVU's
  - Define base salary
  - Define bonus potential
- To provide the knowledge base regarding various benefits packages for NP employment
- To provide information to nurse practitioners (novice or expert) to participate in successful contract negotiations.
- To evaluate if formalized education improves understanding of compensations plans, benefits packages, and contracts for nurse practitioners (novice or expert).

The evaluation of the education course was assessed by reviewing data obtained from pre-posttest, completed course evaluations, discussion with participants during question and answer session, and review with the scholarly committee members. The tools used to link the objectives are the pre-posttest and the course evaluation. Once the data was collected it was analyzed for any statistical significance utilizing the *t*-test for individual comparison. Each question from both the pre-posttest was reviewed for significance on an individual basis. The analysis of the group from pre-posttest utilized the paired *t*-test for group comparison and any statistical significance (Burns & Grove, 2009; Sullivan & Artino, 2013).

### **Plan for sustainability**

It is the fervent desire of these researchers to develop a program that can, once perfected, be presented to all students entering their last semester(s) of their Nurse Practitioner educational program. It is the desire of the authors to develop a similar program that can be presented to Nurse Practitioner organizations. In addition, the authors wish to develop published materials, both written and prerecorded, marketed towards current NPs as well as students, to help prepare them for salary and benefit package discussions, as well as employment negotiations. In American culture, an individual's education and their resultant professional responsibilities correlate with increased compensation. This does not currently apply to the nursing profession as a whole and most specifically to the NP role (Kacel et al, 2005). It is important as NPs, we take responsibility for the disparity between experience and compensation and negotiate salaries and benefits more in line with their education and responsibilities. The only way to do this is to have access to timely and accurate information, which the researchers

hope to provide. In doing so, it is the authors' hope that these programs will lead to sustainable, profitable careers.

## **Chapter IV**

### **Evaluation of Results**

The purpose of this scholarly project was to determine if NP students have an improvement in confidence level and understanding regarding compensation, benefit packages, and negotiations after completing selected education. The main research question (PICOT) was:

Do nurse practitioner students who have additional knowledge regarding compensation, benefits packages, and negotiations have an increased sense of confidence and understanding regarding compensation, benefits packages, and negotiations after receiving provided education?

The hypothesis was: “There will be increased confidence and understanding regarding compensation plans and contract negotiations with additional education”. Both the research question and hypothesis will be discussed later in further detail.

#### **Description of Sample/Population**

The study population was comprised of BSN to DNP students at Pittsburg State University (PSU) who graduate May 2020. The study was completed in June 2019, one-year prior to graduation date. This was a sample of convenience. A total of 13 students, 11 female and two males, completed all components of the study. The years of experience as a registered nurse ranged from four to 18 years with various practice areas

including ambulatory care, cardiac care and rehabilitation, emergency department, float pool, infusion center, intensive care, medical-surgical, obstetrics, and pre-operative care. The entire education process took a total of three hours to complete which included introductions, pretest, education component, posttest, question and answer session, and course evaluation.

### **Description of Key Terms/Variables**

Burns and Grove (2009) state the independent variable is the variable to be manipulated in an experiment. Melnyk and Fineout-Overholt (2014) state the independent variable is the intervention or treatment. The scholarly project's independent variable was the education component or intervention involving compensation, benefit packages, and negotiations provided to the study population.

Melnik and Fineout-Overholt (2014) define a dependent variable as the variable which is influenced or caused by the independent variable (p.604). The dependent variable in this study was improvement in confidence level and understanding regarding compensation, benefit packages, and negotiations as measured by pretest and posttest results. In this project, the objective was to determine if the NP students' level of confidence and understanding were influenced by the education component.

### **Analyses of Project Questions/Hypotheses**

Specific research questions were developed using the main research question (PICOT) and the pre-posttest surveys. The pre-posttest surveys were comprised of a total of eight questions, plus three questions addressing demographics. Sixteen research

questions were then designed utilizing the eight pre-posttest questions. The main objective of the scholarly project was to determine if there was an increase in confidence and understanding regarding compensation, benefit packages, and negotiations after completion of the education component. The pre-posttests were approved by the committee chairperson and members. The specific research questions are as follows:

1. Do nurse practitioner students have a clear understanding of compensation packages available before education?
2. Do nurse practitioner students have a clear understanding of compensation packages available after education?
3. Do nurse practitioner students understand the role wRVUs play on compensation plans before education?
4. Do nurse practitioner students understand the role wRVUs play on compensation plans after education?
5. Do nurse practitioner students understand the potential components of a bonus before education?
6. Do nurse practitioner students understand the potential components of a bonus after education?
7. Do nurse practitioner students have a clear understanding of benefits packages available before education?
8. Do nurse practitioner students have a clear understanding of benefits packages available after education?
9. Do nurse practitioner students have a clear understanding to complete successful employment contract negotiations before education?



10. Do nurse practitioner students have a clear understanding to complete successful employment contract negotiations after education?
11. Do nurse practitioner students have an understanding of the basic components related to a NP employment contract before education?
12. Do nurse practitioner students have an understanding of the basic components related to a NP employment contract after education?
13. Do nurse practitioner students have an understanding of the factors (intrinsic and extrinsic) involved with job satisfaction before education?
14. Do nurse practitioner students have an understanding of the factors (intrinsic and extrinsic) involved with job satisfaction after education?
15. Do nurse practitioner students have confidence negotiating contracts before education?
16. Do nurse practitioner students have confidence negotiating contracts after education?

Shier (2004) states the paired t-test should be used to compare two population means where you have two samples in which observation in one sample can be paired with observations in the other sample. An example is before-and-after observations such as pre-posttest survey measurements with an intervention (education) between the surveys.

**Results.** The results were analyzed for statistical significance using paired *t*-test. Table 4.1 displays the data for the individual questions on the pretest (before education), the posttest (after education), and individual participants results. The rows in Table 4.1 represent individual participant scores for each question with the P-values included. The columns represent an analysis of each question with all the participant's scores on the

pretest and posttest as well as P-values. The findings of this scholarly project were compelling for BSN-DNP students to have increased confidence and understanding regarding compensation, benefit packages, and negotiations after receiving additional education.

Participants	Question #1 Pre/Post*	Question #2 Pre/Post*	Question #3 Pre/Post*	Question #4 Pre/Post*	Question #5 Pre/Post*	Question #6 Pre/Post*	Question #7 Pre/Post*	Question #8 Pre/Post*	P-Value of Individual Participants  CI=95%
#1	2/4	4/5	4/5	2/4	2/4	4/5	2/4	2/4	P<0.0001
#2	2/5	1/5	2/5	4/5	2/5	4/5	4/5	3/5	P<0.0009
#3	1/5	1/5	1/5	1/5	1/5	1/5	2/5	1/4	P<0.0001
#4	1/5	1/5	1/5	2/5	1/3	3/5	1/5	1/4	P<0.0001
#5	2/4	2/5	4/4	2/4	2/4	2/4	4/4	3/4	P<0.0054
#6	2/4	3/4	2/4	2/4	2/4	2/4	2/4	2/4	P<0.0001
#7	1/5	1/4	3/5	1/5	3/5	1/5	3/5	1/4	P<0.0001
#8	1/4	2/4	2/4	3/4	2/4	2/4	4/4	2/3	P<0.0015
#9	1/4	2/4	3/4	3/4	2/4	3/4	4/4	1/3	P<0.0025
#10	3/4	3/5	3/5	3/5	2/5	2/5	4/5	3/4	P<0.0004
#11	3/5	2/5	3/5	2/5	3/5	2/5	3/5	2/4	P<0.0001
#12	1/4	4/4	4/4	2/5	1/4	2/5	4/5	1/4	P<0.0052
#13	2/4	2/4	4/4	3/3	4/4	4/4	4/4	3/3	P<0.0052
P-Value Individual Questions # 1-8  CI=95%	P<0.0001	P<0.0001	P<0.0005	P<0.0001	P<0.0001	P<0.0001	P=0.0019	P<0.001	

Table 4.1 - Analysis of individual questions pretest and posttest of each participant.  
1=Strongly Disagree, 2= Disagree, 3= Neutral, 4=Agree, 5=Strongly Agree.  
CI=Confidence Interval

\*See Appendix A for pretest and posttest questions.

A total of 13 BSN-DNP participants completed the pre-posttest surveys and education component. The data from pre-posttest surveys were calculated for each participant, each question, and the entire group using the paired *t*-test. The data showed statistically significant differences between pretest and posttest surveys, thus supporting

the hypothesis and answering all the research questions (see table 4.1). The results were statistically significant for increased confidence and understanding regarding compensation, benefit packages, and negotiation in individual BSN-DNP participants as well as the group.

Table 4.2 shows further analysis of the questions to include the differences between the pretest and posttest mean (pretest mean minus posttest mean) for each question and related confidence interval (CI).

Questions*	Pretest minus Posttest	CI	P-value
#1	-2.69	CI 95% (-3.26 to -2.12)	<0.0001
#2	-2.54	CI 95% (-3.26 to -1.81)	<0.0001
#3	-1.77	CI 95% (-2.59 to -0.95)	<0.0005
#4	-2.15	CI 95% (-2.89 to -1.42)	<0.0001
#5	-2.23	CI 95% (-2.79 to -1.67)	<0.0001
#6	-2.15	CI 95% (-2.89 to -1.42)	<0.0001
#7	-1.38	CI 95% (-2.15 to -0.62)	= 0.0019
#8	-1.92	CI 95% (-2.50 to -1.35)	<0.0001

Table 4.2 Analysis of question to include mean differences of pretest and posttest and confidence intervals.

CI=Confidence Interval

\*See Appendix A for pretest and posttest questions.

All the questions showed statistically significant results using the paired *t*-test. Questions three and seven dealing with bonus potential and job satisfaction respectively show the least change but remain statistically significant. These results may be influenced by the similarities between registered nurses and nurse practitioners with bonuses and job satisfaction. Questions one and two involving compensation plans for NPs and wRVUs respectively had the highest change between pretest and posttest. The rationale for these questions resulting in higher changes could be related to registered nurses not typically dealing with compensation plans or wRVUs.

### Additional Statistical Analyses

The entire group data were analyzed to determine significance. The group's answers for each question was recorded and multiplied by the number value of the response (i.e. 1=strongly disagree...5=strongly agree) to obtain group data. The averages were calculated by taking the sum of the group data for each question then dividing by 13 (number of participants). This provided the average (mean) for each question pretest and posttest. The mean of each question pre- and posttest were analyzed using the paired *t*-test. (See table 4.3 and 4.4).

<b>Pre-Test Questions</b>	<b>SD = 1</b>	<b>D = 2</b>	<b>N = 3</b>	<b>A = 4</b>	<b>SA = 5</b>	<b>AVERAGES / 13 participants</b>
<b>1</b>	6x1= 6	5x2=10	2x3=6	0	0	1.69
<b>2</b>	4x1=4	5x2=10	2x3=6	2x4=8	0	2.15
<b>3</b>	2x1=2	4x2=8	4x3=12	3x4=12	0	2.61
<b>4</b>	2x1=2	5x2=10	3x3=9	3x4=12	0	2.54
<b>5</b>	3x1=3	7x2=14	2x3=6	1x4=4	0	2.08
<b>6</b>	2x1=2	6x2=12	2x3=6	3x4=12	0	2.46
<b>7</b>	1x1=1	3x2=6	2x3=6	7x4=28	0	3.15
<b>8</b>	6x1=6	4x2=8	3x3=9	0	0	1.77

Table 4.3 – Averages (means) of participants pretest.

1=Strongly Disagree (SD), 2= Disagree (D), 3= Neutral (N), 4=Agree (A), 5=Strongly Agree (SA).

\*See Appendix A for pretest and posttest questions.

<b>Post-Test Questions</b>	<b>SD = 1</b>	<b>D = 2</b>	<b>N = 3</b>	<b>A = 4</b>	<b>SA = 5</b>	<b>AVERAGES / 13 participants</b>
<b>1</b>	0	0	0	9x4=36	4x5=20	4.31
<b>2</b>	0	0	0	6x4=24	7x5=35	4.54
<b>3</b>	0	0	0	6x4=24	7x5=35	4.54
<b>4</b>	0	0	1x3=3	6x4=24	6x5=30	4.38
<b>5</b>	0	0	1x3=3	8x4=32	4x5=20	4.23
<b>6</b>	0	0	0	5x4=20	8x5=40	4.62
<b>7</b>	0	0	0	6x4=24	7x5=35	4.54
<b>8</b>	0	0	3x3=9	9x4=36	1x5=5	3.85

Table 4.4 – Averages (means) of participants posttest.

1=Strongly Disagree (SD), 2= Disagree (D), 3= Neutral (N), 4=Agree (A), 5=Strongly Agree (SA).

\*See Appendix A for pretest and posttest questions.

The results of the group data using the paired *t*-test were statistically significant with a P-value < 0.0001 with a CI 95% (-2.3787 to -1.7613). The mean of pretest minus posttest equal -2.0700. These results are expected since the individual data was also statistically significant.

### **Summary**

The purpose of the study was to determine if there was an increase in confidence and understanding with compensation, benefit packages, and negotiations after education for BSN-DNP students. The data was remarkable as it exhibited statistically significant improvements after education regarding compensation, benefit packages, and negotiations. It is the experience of the authors that there is little in-class education provided to NP students regarding this information. It is possible the same results would be obtained for current NPs and not just NP students. It is imperative that one enters a new career equipped with all information to be successful. A new job can be stressful and knowing what is expected is needed regardless if the NP is novice or expert. Moving forward, further research regarding this topic would be beneficial, whether the NP student is completing an on-line or in-person curriculum. It is the hope of the authors to provide web-based education regarding this information for NPs.

## **Chapter V**

### **Relationship of Outcomes to Research**

The purpose of this research project was to determine if educating nurse practitioner students on compensation, benefits packages and negotiation skills helps them feel an improved sense of confidence and understanding of this process so they have the tools necessary to fully evaluate and negotiate a job offer. The data showed that students feel vastly unprepared to discuss and negotiate salary and benefits packages with potential employers. Data also showed that presentation of information on these matters significantly increased their confidence and helped them feel better prepared to participate in this process.

The paired *t*-test results for every item were significant at a 95% confidence interval. This confirms the beliefs of the researchers that nurse practitioners have little to no knowledge of matters relating to salary, compensation packages, the role wRVUs play on compensation plans, benefits package, successful contract negotiations, basic components of an NP contract, factors involved with job satisfaction, and negotiation skills. It also confirms that education in these matters helps them to have a better understanding and confidence of this subject matter. The authors also found that information specifically relating to RVU expectations for nurse practitioners is difficult to find and their research was unable to find any apparent industry standard.

As no similar previous studies were located by the authors, it is not possible to compare the findings of this research to previous research. The lack of previous, similar studies supports the need for future study in these areas. It is the authors' contention that as a result of this, nurse practitioner students are ill prepared to advocate on their behalf during the hiring process. The results of this study bear this out.

### **Observations**

It is the limited experience of the authors that classroom time is not dedicated to educating nurse practitioner students on matters related to salary, benefits plans and negotiation skills. So that NPs may better advocate for themselves and their profession, it is imperative they have the knowledge to do so. If information were readily available and contained in one easy to use format, it is the belief of the authors, NP students would be better educated on compensation and benefits packages, and better able to negotiate on their behalf. In addition, the fact that information on salaries and benefits packages for nurse practitioners is difficult to find, educating oneself is at best, very difficult. The instruments used to evaluate changes in knowledge before and after education were the pretest and posttest. The findings were compelling, showing statistically significant improvements in confidence and understanding of compensation and benefits packages; and that comfort with negotiation improves with selected education. These findings do correlate with the hypothesis designed prior to study. This was a small sample of convenience and further research would be beneficial.

### **Evaluation of the Theoretical Framework**

The theoretical framework for this DNP scholarly project was Barbara Carper's pattern of knowing (Carper, 1978). Carper's theory was written 40 years ago with an

expansion by Chinn and Kramer, in 2008 (Chinn & Kramer, 2011). The premise for this theory is that there are more ways to knowing besides empirical or scientific knowledge for nurses. There needs to be an understanding of these patterns for teaching as well as learning in nursing. The four patterns Carper recognized are (1) empirics, (2) esthetic, (3) personal knowing, and (4) ethics. Chinn and Kramer took this one step further with the addition of emancipatory knowing. All aspects need to be understood for nurses to continue to grow. The study did show it is important to have empirical knowledge, however personal knowing or experience does play a role in the NP advancing their career. The components of job satisfaction would be part of esthetics as well as ethics. The patterns of knowing framework works well for nurses caring for others as well as themselves.

### **Evaluation of the Logic Model**

A logic model represents visually the way changes will occur in a project. The logic model proposed in this project functioned as it was hoped. Initially, the authors of this study collected data regarding compensation, benefits packages and negotiations. In doing so, they determined that minimal information on these subject matters was available. Further, it was determined that no similar studies had been completed previously. After extensive research, a program was developed and presented to nurse practitioner students. Immediately prior to the presentation, NP students were given a pretest to assess their knowledge. After the presentation, they were questioned about an increased sense of confidence and understanding of these matters. The results were overwhelmingly statistically significant, as detailed previously. One area student's continued to note confusion was regarding wRVUs. The authors are working to expand



yet simplify this information to present to future students so they may have a better understanding of this concept. This was exactly as represented in the Logic Model, and the way it was designed to work.

### **Limitations**

Several limitations of this study were identified. First, the sample was a convenience sample, and small. The participants of this study were all students of one BSN to DNP program at a Midwestern state college. The authors acknowledge that experiences of students in one school are not necessarily the experiences of many students of multiple institutions. It is the authors' contention, however, after completing research on these matters that very little information regarding these matters are available; and further, it is not easily accessible in a simple search. In addition, as this was the first project of its kind, it was thought a small sample size for an initial study would be best, giving the authors the opportunity to iron out any problems, if they should occur, before a larger scale project was undertaken. A second limitation was the night before the presentation, the slides for the presentation were inadvertently published and available to the students. While it is unlikely that enough information was contained in the slides to affect either the pretest or the posttest, it is possible. Given that all results were statistically significant, comparing pretest and posttest results, it makes it even more unlikely.

### **Implications for Future Projects and/or Research**

The authors found that information relating to RVU expectations for nurse practitioners is difficult to find and no apparent industry standard exists. What does exist has been published by the American Medical Group Association (AMGA). For this

reason, the authors believe this presents an area for future investigation. It is the authors' belief that these numbers should be determined by and for nurse practitioners. The completion of this project on a larger scale, with students from other educational institutions, in other geographical areas is another area for future work. A final potential would include broadening the study and project to include currently practicing nurse practitioners. Based on the reception of students as well as currently practicing NPs, there appears to be a demand for this information.

The authors believe it is vital to disseminate the information from this study to nursing faculty, practicing NPs, and nurse practitioner students entering the market for the first time. To do this, they are preparing a poster presentation, to be presented at the Advanced Practice Nurses of the Ozarks (APNO) and National Organization for Nurse Practitioner Faculty (NONPF) yearly conference. They have also reached out to the leaders of 4-State APN, to determine the feasibility of a podium presentation at their yearly meeting; or a short presentation at their monthly meetings. Additionally, they are actively submitting briefs for podium presentations at these as well as other conferences. Finally, the authors have identified two peer-reviewed nursing education publications, The Journal of Nurse Educators, as well as the Journal for Nurse Practitioners as publications appropriate to their audiences. They are actively pursuing publication in these periodicals as well.

### **Implications for Practice/Health Policy/Education**

After completing their background research and this study, the authors feel strongly that a significant knowledge deficit exists, regarding salary, benefits packages and negotiation skills for NP students entering the workforce for the first time. So that NP

students are prepared for interviews, it is the belief of the authors that this information should be included in NP curriculum. To promote the advancement of our field, and prepare NP students for the work force, graduates need to be as prepared as possible. This includes their ability to fully participate in the interview and hiring process.

### **Conclusion**

The purpose of this project was to determine if educating nurse practitioner students on compensation, benefits packages and negotiating allows them to feel an increased sense of confidence and understanding of the process so they have the tools necessary to fully evaluate and negotiate job offers. The results of this study support the authors' contention that students do not have a clear understanding of these matters; and further, education regarding these matter provide this. As faculty members, we need to graduate students that are fully engaged in their profession, including the interview and hiring process. Anything less and we are failing our graduates.

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## APPENDIX

## Appendix A

**Pretest or Posttest***Circle which test***Compensation Plans and Contract Negotiation***Strongly Disagree (SD) = 1, Disagree (D) = 2, Neutral (N) = 3, Agree (A) = 4,**Strongly Agree (SA) = 5.*

Please rate the following questions based on scale above.

1. I feel I have a clear understanding of compensation packages available to NPs.

SD                      D                      N                      A                      SA

2. I understand the role wRVUs play on compensation plans.

SD                      D                      N                      A                      SA

3. I understand the potential components of a bonus.

SD                      D                      N                      A                      SA

4. I feel I have a clear understanding of benefits packages available to NPs.

SD                      D                      N                      A                      SA

5. I feel I have a clear understanding to complete successful employment contract negotiations.

SD                      D                      N                      A                      SA

6. I have an understanding of the basic components related to a NP employment contract.

SD                      D                      N                      A                      SA

7. I have an understanding of the factors (intrinsic and extrinsic) involved with job satisfaction.

SD                      D                      N                      A                      SA

8. I feel confident negotiating contracts.

SD                      D                      N                      A                      SA

How many years of experience do you have as a Registered Nurse (RN)? \_\_\_\_\_

In which department do you currently work (ED, ICU, Home-Health, etc)? \_\_\_\_\_

Gender (circle one): Female or Male

## Appendix B

**Course Evaluation Compensation Plans and Contract Negotiations****Lea Ann Tyler, ANP-C & Laura Weiss, FNP-C**

Please complete the following course evaluation.

*SD - Strongly disagree; D – Disagree; N – Neutral; A – Agree; SA – Strongly Agree*

1. The instructors clearly presented the information.

SD                  D                  N                  A                  SA

2. The instructors presented the content in an organized manner.

SD                  D                  N                  A                  SA

3. The information will help me understand the concepts introduced.

SD                  D                  N                  A                  SA

4. Were you satisfied with the content of the course presentation?

SD                  D                  N                  A                  SA

5. Please identify what you consider to be strengths of the presentation.

6. Please identify any weakness of the presentation.

7. Any suggestions for future presentations?

## Appendix C

## Education PowerPoint

### Compensation, Benefit Packages & Negotiation Skills

LAURA A. WEISS, MSN, FNP-C  
LEA ANN TYLER, MSN, ANP-C

### Job Satisfaction

- Intrinsic vs extrinsic factors
- Satisfiers vs dissatisfiers

### THREE TYPES OF SALARY

- Base salary
- Base plus bonus
- Base plus RVU

### Base salary plus productivity: RVUs

### HOW TO FIGURE BASE PLUS RVU SALARY

Need to know:  
base salary;  
RVU expectation and how often this is paid;  
bonus pay for each RVU over the base

Example:  
\$80,000 w/2500 RVU expectation, paid quarterly + \$10/RVU of 2500  
lets say you make 650 RVUs this quarter, how much bonus will you be paid  
 $2500/4 = 625$ ;  $25 \times 250 = 250$

- Pitfalls of productivity based pay
- What is a good number

### Gender Earnings Gap

Number of Years Since Graduation	Earnings Gap
0-3 years	\$2,405
4-9 years	\$15,805
10-14 years	\$30,095
15-19 years	\$11,680
20+ years	\$21,090

### BENEFIT PACKAGES

- General benefits
- Professional benefits

### CONTRACT COMPONENTS

- Status – Employee-employer or independent
- Service – what is expected of NP
- Salary
- Additional benefits
  - CEUs
  - Documentation time
  - QI time
  - EMR training
  - Coding

### CONTRACT COMPONENTS (cont)

- Benefits
- Malpractice
  - Claims made
  - Occurrence
  - Tail-coverage
- Terms & termination
- Noncompete & non-solicitation

