Nurse Practitioner Managed Health Clinics

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The Arizona State University College of Nursing and Health Innovation manages four nonprofit Nurse-Managed Health Clinics (NMHC). The clinics give nurses the opportunity to move to the forefront of health care, while educating ASU’s undergraduate and graduate nursing students and providing access to health care in the process.

The health clinics have an interdisciplinary staff that provides both physical and mental health services. The support that the NMHCs receive from health care officials, third-party health insurance companies, policy makers, donor agencies, the news media, and religious and community leaders is critical to the sustainability of the clinics.

Background

Nurse Managed Health Clinics (NMHCs) – where most of the care is delivered by nurse practitioners and certified nurse midwives – are not new. Historically, NMHCs managed the care of children. Over the years, these clinics have expanded their services to include primary care and care for patients with chronic conditions. Practitioners focus on meeting the majority of a patient’s needs through a sustained relationship with patients, family members and the community.

Services offered at NMHCs typically include health maintenance and promotion, chronic illness diagnosis and management, prenatal care, family planning, immunizations, mental health and community outreach. Most NMHCs are owned by universities or schools of nursing and serve as clinical sites for nursing students. Most focus on uninsured or otherwise underserved populations, usually in urban areas.

Elements of Quality and Value

NMHCs typically garner high rates of patient satisfaction. Studies also show that chronic disease management at NMHCs is particularly comprehensive, with outcomes for diseases such as hypertension, depression and asthma often exceeding national benchmarks. The centers also have proven very effective in smoking cessation assessments, and screening for breast and cervical cancer.

NMHC’s total cost per managed care member is half that of other primary care providers. The clinics deliver health care at 23 percent below the average cost and have a 21 percent reduction in hospital inpatient rates. One study (NIH: Naylor, 2004) shows NMHCs saving $4,850.00 per heart failure patient, with 38 percent savings in Medicare costs.
Operational Model

Because most NMHCs are university-affiliated, their staff is salaried and made up largely of university employees. NMHCs often receive some in-kind resources from the university, such as staffing, utilities, occupancy or liability coverage. Physicians are hired as contract employees in states where advanced practice nurses cannot practice as independent providers.

In terms of revenue, 35 percent comes from patient care, 41 percent from other operating income (grants, education stipends) and 24 percent from non-operating funds (donations, money from fundraisers and subsidies from the ownership organizations). Thus, 65 percent of the income stream is at risk. Long-term financial stability depends on the NMHC’s ability to get reimbursement from commercial and public insurance companies.

Challenges/Barriers

NMHCs are generally expected to be self-sustaining practices, but they face significant challenges in breaking even. Because NMHCs are not physician-led, it is difficult for them to be credentialed as primary care providers and receive full reimbursement from insurance companies. Other challenges include a patchwork of reimbursement mechanisms and policies, a largely uninsured patient population, and state-to-state variability in Nurse Practice Acts and other regulations.

The NMHC model could be sustainable if these barriers were reduced or eliminated by following best business practices, establishing equitable reimbursement for all primary care providers and developing advanced practice nursing-friendly policies, laws and regulations.

Examples in Arizona

Link reports that, for the most part, the regulatory environment in AZ is favorable toward NMHCs. Her system is called Nurse Practitioner (NP) Healthcare and consists of four clinics in varying states of financial health. Two of these NMHCs are already self-sustaining: NP Healthcare Downtown Phoenix and NP Healthcare Grace.