

A Decade of Growth

Salaries Increase as Profession Matures

by Jill Rollet and Sarah Lebo

IF YOU HAPPEN to have a copy of ADVANCE for Nurse Practitioners from the end of 1997 lying around, take a look at the salary survey questionnaire.

OK, we'll summarize it for you.

Ten years ago, the first National Salary Survey of Nurse Practitioners included only half the number of questions contained in our 2007 survey. Besides neglecting to ask for an e-mail address (how many NPs used e-mail in 1997?), it mentioned nothing about education, on-call pay or intent to own. Retail clinics and aesthetics practices weren't even on the radar.

The National Salary and Workplace Survey of Nurse Practitioners has changed along with the profession. Responses to the survey have nearly tripled, from a respectable 2,150 faxed or mailed responses in 1997 to 6,162 this year. Below you'll find our analysis of NP compensation, prescribing habits, office hierarchy, opportunity perceptions and job satisfaction.

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The tables accompanying this article compare NP pay over time and across master's-level professions. They lay out salaries by practice setting, experience, education and gender. Geographic differences are reflected in tables that indicate pay rates by state and patient population setting. Average salaries for select cities are included to illustrate that compensation can vary even across cities within the same state. Table 11 reproduces the original questionnaire with the addition of the percentage of responses for each answer choice; monetary values indicate the average of all responses.

The Big Payoff

Survey data show that the average nurse practitioner salary rose 8.8% over the past 2 years, from \$74,812 in 2005 to \$81,397 in 2007. The increase is an impressive 55% over the decade (Table 1). For the sake of comparison, physician assistant salaries increased by 35% over the same period, according to numbers available online from the American Academy of Physician Assistants.

These big pay gains reflect big

public relations gains, says Margaret Fitzgerald, NP, president of Fitzgerald Health Education Associates. "We have made great headway in establishing ourselves in the marketplace, from marginalized providers who practiced in relative anonymity to a professional group that is increasingly being recognized for our contributions to health care," Fitzgerald told ADVANCE.

Jill Olmstead, NP, president-elect of the California Association for Nurse Practitioners, seconds Fitzgerald. "An 8.8% wage increase reflects a combination of nurse practitioners' capabilities combined with their overall importance to the health care system," she said.

NPs who worked part time made headway, too. The average part-time hourly wage for NPs in 2007 was \$40.32, a 9.5% increase from the 2005 rate (Table 2). And NP salaries continued to compare favorably with those of other professionals with master's degrees (Table 3).

Setting Sets the Rate

These averages reflect a wide range in individual NP compensation. From the beginning, salary has

Table 1

Average Overall Salary

2007: \$81,397

2005: \$74,812

2003: \$69,203

2001: \$63,172

1999: \$58,391

1997: \$52,532

Table 2

Average Part-Time Hourly Rate

2007: \$40.32

2005: \$36.80

2003: \$33.89

2001: \$32.53

1999: \$30.03

1997: \$28.41

Benefits, Extras, Perquisites and Lagniappes

The survey showed a tie for most prevalent employee benefit: paid time off and health insurance were offered to 17% of respondents by their employers. Other common benefits were malpractice insurance (available to 16% of respondents), paid continuing education (16%) and retirement plans (15%).

Nonmonetary extras, such as flexible schedules and autonomy, may not be the first things that come to mind when you think of employer benefits. But our respondents ranked those aspects high on the list of extra perks to weigh when considering new job opportunities.

"If we shouldn't be dictatorial with our patients, but work with them for best health care in the perspective of their lives, then we should also as NPs work together for the best work environment based on each other's lives," explained Glenda Clemens, NP, a practice owner in Norman, Okla. "Allowing my employees the freedom to live their lives in the best way possible, combined with work, keeps them happier and more dedicated."

Working for a consulting company that serves nursing homes allows Lois C. Hamel, NP, the opportunity for schedule flexibility. She gets paid according to the billables she generates and has no appointments, so she can come and go according to what fits her personal life.

"Schedule flexibility for me means being able to go to lunch with a friend, sleep later in the winter while the sun is helping to clear the icy roads, or to make an appointment without a problem," she said. "The downside is there is no paid time off."

NPs who have rigid schedules, working at night or at odd hours, said the associated higher pay and benefits were worth it.

"I have found a niche in the market, and it provides a great salary. I work a 48-hour weekend: in the hospital from 7 a.m. to 7p.m. on Saturday and Sunday, and then on call from home from 7 p.m. to 7 a.m. both nights," said Jennifer Baker, NP, an adult nurse practitioner employed at a hospital in Orlando, Fla. "This allows me to stay home with my children Monday through Friday and participate in their activities. I do miss out on some weekend things that are important, such as sport events and church, but the trade-off works for us at this time in our lives."

— Sarah Lebo

been a function of setting. Top earners in 2007 were the same as the top earners 10 years ago (Table 4). NPs employed in acute care settings headed the list: Emergency department NPs made an average of \$95,157 last year; NPs in neonatal units earned \$93,959; and nurse practitioners in other hospital and surgery settings grossed more than \$86,000.

In contrast, NPs who earned the least in 2007 worked in educational settings: 12-month college health positions paid an average of \$72,236; school NPs earned \$71,512; and nurse practitioners who spent most of their time teaching made just \$68,624 last year — 16% less than the average NP salary and 28% less than the average emergency department NP.

Fitzgerald chalks up the pay difference to high reimbursements for procedures: The highest paid NPs typically perform expensive procedures more often.

Ownership Aspirations

Right up there with acute care setting salaries are those being earned by NPs who have ventured out on their own. Although the top-earner rankings have shifted a bit over the decade, practice owners have consistently been among the top three. Last year, entrepreneurs brought home an average salary of \$89,634.

The real story is that the ranks of practice owners are increasing — and quickly. Although their proportion might appear small (3% of survey respondents said they are owners) their percentage doubled between 2003 (1% of respondents) and 2005 (2%) and increased again by 50% over the past 2 years. And the lure of practice ownership continues to be enticing: In 2007, 11% of respondents said they intend to open their own health care-related practice in the next 5 years.

Suburbs were the most popular location for NP-owned practices (41%), and 12% were owned by men — even though men made up only 8% of all survey respondents. Most owners indicated that they had been nurse practitioners between 6 and 10 years (32%), followed by 3 to 5 years (23%). NPs with less than 2 years of experience in the role made up 6% of practice owners.

Family practices were the top choice for NPs who were owners (41%). Mental health practices came in second (15%).

We wondered at the popularity of mental health as a practice focus for NP owners, since only 4% of survey respondents overall said they practice in a psychiatric-mental health position. Terry Douglass is a pediatric nurse practitioner who owns a practice specializing in pediatric and adolescent mental health. The first explanation that comes to her mind is that mental health offices are easy to set up: They require no special equipment and can be staffed by an NP alone.

Aesthetics and skin care practices were also heavily represented among NP-owned practice settings, accounting for 3% of practices owned by nurse practitioners but only 0.5% of NP practice settings overall. High revenue possibilities for aesthetic procedures and zero reimbursement filings might account for the popularity of this practice choice.

Superspecialization

One important finding of the current survey is that NP subspecialties have proliferated, even since 2005. The 1997 survey included an employment setting category designated "specialty clinic or practice." Over the years, the setting choices have expanded in response to survey responses in previous years. By 2007,

the choices included “cardiology clinic,” “diabetes/endocrinology clinic,” “HIV clinic” and “oncology clinic,” among others.

Even with these focused answer choices, 24% of respondents listed “other” as their practice setting. These NPs almost always wrote in an even more specialized setting than the choices listed. For example, instead of choosing “pediatrics,” one respondent wrote in “pediatric allergy and asthma clinic,” another wrote “pediatric dermatology practice,” another “pediatric neurology,” and so on.

Fitzgerald says these responses reflect her own experience. At her lectures to NP audiences across the country, she finds that up to 60% of attendees practice in specialties or subspecialties. NP practice mirrors the larger move in U.S. health care away from treating populations (for example, family practice, pediatrics, adult care) to treating conditions (for example, asthma and allergy, cardiology, endocrinology), she explained.

Specialization can allow individual NPs to grow professionally and add to their knowledge, comments Tracy Klein, a family nurse practitioner who is the advanced practice consultant for the Oregon State Board of Nursing. But, she cautions, “NPs who are educated to practice only with-

in a subspecialty will sooner or later run up against a regulatory or practice barrier that prohibits them from transferring and expanding their care.”

Klein and Fitzgerald both predict that demand for subspecialty certification will increase among nurse practitioners and regulators. Klein believes that working without specialty credentialing keeps NPs under the thumb of physicians. “The inability to be autonomously credentialed under our own skill set with nursing-sensitive measures restricts us to supervision by other providers, generally MDs, as a proxy,” she told ADVANCE.

Discounting Experience

As we’ve seen in previous surveys, nurse practitioners with a doctorate degree are paid more on average than those with other degrees (up to \$3,269 more than NPs with a master’s degree). The 3% of our respondents who have doctorates make an average of \$84,786 a year (Table 5).

As in 2005, associate-degree holders earned more than NPs with a bachelor’s degree. We might chalk this up to experience: NPs practicing with an associate’s degree have likely been practicing for a long time. Also, respondents with associate’s degrees represent only 1.7% of our total respondents,

Table 4

Salary by Practice Setting (listed in descending order)

1. emergency department	\$95,157
2. neonatal unit	\$93,959
3. aesthetics/skin care practice *	\$87,773
4. hospital	\$86,630
5. surgery setting	\$86,256
6. oncology clinic	\$84,578
7. mental health setting	\$82,978
8. gerontology	\$82,556
9. cardiology clinic	\$82,460
10. internal medicine	\$81,671
11. retail clinic	\$81,154
12. corrections	\$79,538
13. HIV clinic	\$79,204
14. family practice	\$79,091
15. diabetes/endocrinology clinic	\$79,032
16. pediatric practice	\$78,120
17. women’s health practice	\$76,483
18. college health (12 months)	\$72,236
19. elementary or secondary school	\$71,512
20. academia	\$68,624
21. college health (9 months)	\$55,185

*own practice \$89,634
across all settings

Table 3

Stacking Up Against Other Master’s-Level Professions

(average annual salaries)

Nurse Practitioner*	\$81,397
Physician Assistant**	\$86,214
Physical Therapist***	\$66,363
Librarian***	\$52,949
Social Worker***	\$49,019

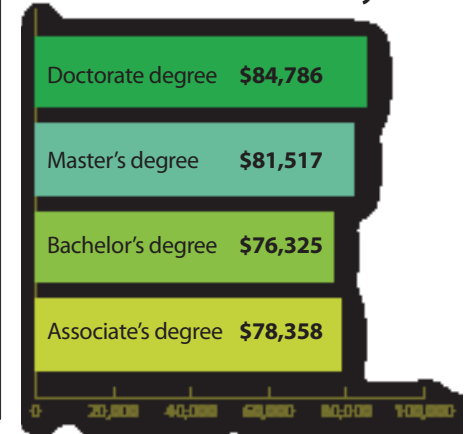
*Source: 2007 National Salary Survey of Nurse Practitioners, tabulated by ADVANCE for Nurse Practitioners

**Source: American Academy of Physician Assistants (AAPA) 2007 Physician Assistant Census Report. Available at: <http://www.aapa.org/research/07census-intro.html>

***Source: Salary.com

Table 5

Education and Salary



A Rewarding Profession

The honor of being the oldest nurse practitioner to fill out our survey goes to 79-year-old Jean Wertz.

An adult NP in New Mexico, Wertz tried to retire in 1993, but she just wasn’t up for it. She opened a solo NP practice in 1996 and continues to work part time — volunteering at a health clinic for the homeless and working poor and making hospice visits pro bono.

Wertz became an NP in 1978 after 30 years as an RN. “I do recall the 6-day-a-week-plus-call split shifts of the ‘40s — the sharpening of needles, the patching rubber gloves, the mixing goopy penicillin in 50-cc syringes and melting codeine in a heated metal spoon,” Wertz said. “It is nice to have sterile supplies prepackaged and not spend time in an autoclave room. We do seem to be a throw-away society now.”

— Jill Rollet

Table 6

Experience and Salary

0-2 years:	\$76,802
3-5 years:	\$81,517
6-10 years:	\$83,792
11-15 years:	\$83,424
16-20 years:	\$81,621
21-25 years:	\$81,535
26+ years:	\$83,096

versus 3.3% of bachelor's degree holders and 92% with a master's degree.

It's tough to put a price tag on experience, but veteran NPs may have to change their expectations if they think "putting in their time" means making a lot more money. As in the past, our survey shows salaries leveling off after several years of practice. The highest salaries went to those in practice for 6 to 15 years (Table 6). This makes a lot of NPs happy, though, since most of our respondents fell in this experience range (44%).

Respondents who have practiced as a nurse practitioner for 16 to 20 years made up to \$2,170 less than NPs with fewer years' experience. But in the 26-years-or-more experience range, salaries seemed again to reach roughly the same level as the 6-to-

15-years experience range (just a \$700 difference between the two). The biggest wage gap was between the least experienced NPs and the NPs with 6 to 10 years experience — an almost \$7,000 shortfall between the two salaries.

"Experience is not the most important thing I look at when offering someone a job," explained Glenda Clemens, NP, a practice owner in Norman, Okla., who pays each nurse practitioner the same flat rate and then gives bonuses based on the clinic's profit. "Some NPs with a lot of experience also have a lot of negativity. I hire based on how well they fit our team in terms of personalities, knowledge base, desire to be of service to those less fortunate, and willingness to be responsible."

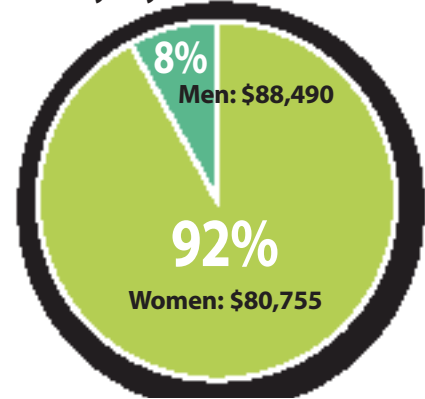
The Gender Gap ... Again

The gender breakdown of our survey showed that men still typically make more than women. This year's salary divide was \$7,735 (Table 7). And this gap isn't explained by practice setting: Our survey results show that the percentages of men and women in high-paying settings are almost identical.

The salary divide could be seen as slightly encouraging, though, because it seems to be narrowing. Nurse practitioners who are women now make 8.7% less than NPs who are men, down from our 2005 survey's 11.7% shortfall.

Table 7

Salary by Gender



Geographic Hot Spots

The most pertinent geographic trend showed California as the earnings front runner (no surprise here) at an average salary of \$96,225 (Table 8). What might be surprising is that Rhode Island was a close second, coming in just \$200 lower than California in average salary. Finishing a distant third was the District of Columbia (a \$5,494 difference). Hawaii and Arizona both hover around \$89,700 to round out the top five. Salary averages for a random selection of cities within certain states are provided in Table 9.

If you're debating where to move within a state, your best bet for the most money is

Ringin' Up Retail

Nurse practitioners all over the nation are finding new job opportunities in the retail clinic setting. Our survey showed that 3% of our respondents now work in this area, at an average salary of \$81,154.

"The competitiveness and fairly rapid growth of the convenience clinic market has driven NP salaries up a notch," explained Kevin Letz, NP, CEO of the Organization of Convenience Clinics, a consulting firm. "NPs [in retail health] can expect to make an additional \$4,000 to \$5,000 more per year in contrast to other positions in their area. This may be related to the often unattractive evening and weekend shifts, as well as some NPs' reluctance to work in this environment."

Many NP respondents shared glowing reviews of the salary and benefit offerings provided by retail clinics. One 57-year-old NP in Virginia was able to swing a \$14,000 pay raise. She left a position at a large multispecialty clinic to take advantage of a retail health opportunity.

"As an NP, I like to see the salary range bumped up as a result of the clinics, but what I would really like to see is for NPs to take some ownership in the services they are providing in this setting and actual ownership in the clinics. I think many will find that the benefits of ownership far outweigh a higher salary at the end of the day," Letz said.

Be a little suspicious if you are seeing an exceptionally high salary

compared with other jobs in your area — it might be tied to daily pressure to see a lot of patients and worries about the financial health of your employer.

"While the higher salary offering may help attract NPs and benefit NPs in the interim, it may lead to the financial demise of the clinics down the road, which is not good for anyone," Letz explained. "The reality is that clinics paying salaries up toward six figures will struggle to stay in business. We often recommend that clinics get creative, such as offering NPs equity [ownership] in the business rather than continuing to hike up salary offerings."

Many respondents shared a love for the concept of delivering quality, affordable health care to everyone. While reservations about scope-of-practice restrictions may exist, there's no question about the stable benefits offered at most retail clinics.

"As a recent nurse practitioner graduate, my salary is far better than I could have ever imagined," explained Jacinda Hurt, an NP who works for Take Care Health Systems in Milwaukee. "National retail clinics not only offer a flexible and creative work schedule, but also a competitive salary and benefits package. Retail clinics truly value the nurse practitioner."

— Sarah Lebo

Table 8

Average Salary by State

AK: \$82,754	FL: \$80,905	LA: \$84,614	NC: \$80,759	OK: \$83,511	VA: \$78,547
AL: \$75,035	GA: \$75,813	MA: \$85,433	ND: \$78,181	OR: \$85,703	VT: \$62,505
AR: \$79,494	HI: \$89,814	MD: \$84,412	NE: \$77,168	PA: \$77,354	WA: \$81,779
AZ: \$89,641	IA: \$75,774	ME: \$73,653	NH: \$77,038	RI: \$96,024	WI: \$79,784
CA: \$96,225	ID: \$81,091	MI: \$81,331	NJ: \$88,920	SC: \$76,789	WV: \$71,905
CO: \$77,450	IL: \$81,934	MN: \$83,566	NM: \$89,580	SD: \$81,953	WY: \$81,004
CT: \$82,918	IN: \$75,378	MO: \$73,890	NV: \$84,527	TN: \$78,911	
DC: \$90,530	KS: \$76,099	MS: \$89,561	NY: \$81,227	TX: \$85,931	
DE: \$77,810	KY: \$76,106	MT: \$75,360	OH: \$77,278	UT: \$82,641	

Table 9

Average Salaries of Select Cities and States

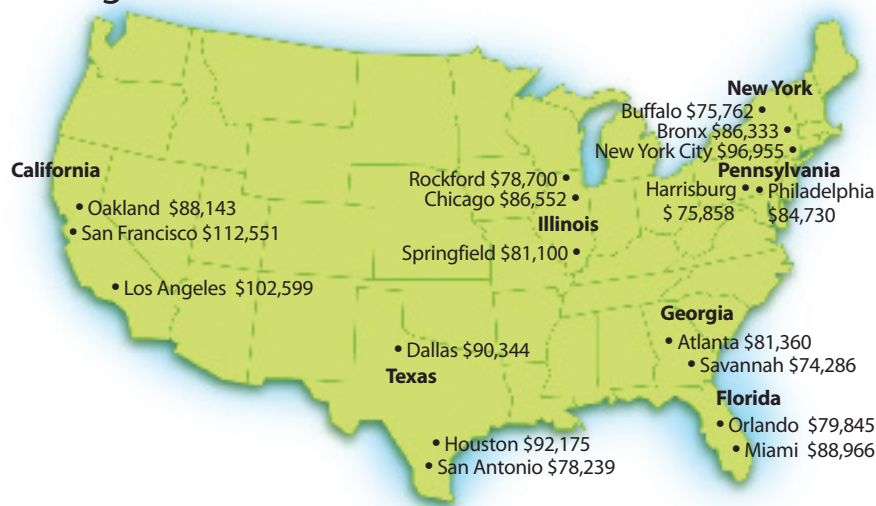


Table 10

Average Salary by Population Setting

Urban:	\$83,100
Suburban:	\$81,779
Rural:	\$77,896

related to compensation. As shown Table 11, the average survey respondent has a master's degree and holds a single NP certification, typically in family practice. She's 46 years old, has worked as an NP between 6 and 10 years and is employed full time as a family nurse practitioner in a family practice or hospital setting. She reports to a physician, doesn't take call, and writes more than 20 prescriptions each week. She believes there are sufficient job opportunities for nurse practitioners and is very satisfied with her job.

Survey Methods

ADVANCE for Nurse Practitioners published the questionnaire for its sixth national salary survey in the July, August, September and October 2007 issues of the journal and online. A record 6,162 nurse practitioners completed to the survey.

To ensure the accuracy and validity of our data, ADVANCE did not tabulate any surveys filled out by respondents who were not nurse practitioners, such as clinical nurse specialists or nurse midwives who were not also certified as nurse practitioners. To further ensure that average salaries were calculated accurately, we averaged the salaries of full-time and part-time nurse practitioners separately.

Ronald Wasserstein, executive director of the American Statistical Association, confirmed the validity of our survey methods. NP

still in the city centers, where the average salary is \$83,100 (Table 10). Practice in suburban areas will reduce your pay by about \$1,321 (\$81,779), and rural practice drops you further, to earning \$5,204 less than NPs in urban settings.

On-Call Status

A valuable perk in any employment package is not having on-call responsibilities. Some respondents admitted to taking a less-than-desirable salary because the position did not involve any on-call or weekend time.

A quarter of our respondents said they take call, but less than half that group (only 38%) actually gets paid for it.

In our 2005 survey, we saw higher salaries for NPs who take call — showing that NPs were getting paid for it somewhere. This year's results showed fairly comparative salaries for both groups: \$81,207 for those with no call responsibilities and just \$734 more for NPs who do take call (\$81,941).

"I'm not sure if employers take it for granted or if they just feel as though it's part of your responsibility as a provider in the practice," said Lareshia Slade, a pediat-

ric NP in Fayetteville, N.C. "Call duty is just included in my salary package, but it hasn't affected my satisfaction with my job."

Although salary comparisons aren't encouraging, many respondents said that on-call time was compensated with extra time off instead of money.

"Taking call is not a really big deal to me. In dermatology we don't get many calls, and most calls are medication refills," said Holly Nichols, an NP in Wichita, Kan. "And I do get every Tuesday afternoon off for the weekends I cover call, so I would say it evens out in the wash."

One respondent got creative about on-call compensation when contract renegotiation came around — she received additional continuing education funds in lieu of being directly compensated.

The 'Average' NP

In the 2007 survey, we asked for the first time about workplace issues not directly



This entire report, including tables, will be available on our Web site in mid-January and will remain there for ongoing reference. Visit our blogs and forums at www.advancweb.com/np to post your thoughts on the survey results.

Table 11

Salary Survey Breakdown by Percentage

2007 The 2007 National Salary and Workplace Survey of Nurse Practitioners

Brought to you by *ADVANCE for Nurse Practitioners*

The percentages in bold below are based on 6,162 responses and do not represent circulation figures. Survey questionnaires were published in the July, August, September and October 2007 issues of *ADVANCE for Nurse Practitioners* and online at www.advanceweb.com/np.

1. What type of NP certification do you hold?

- 2% none
- 6% acute care NP
- 17% adult NP
- 3% adult psychiatric and mental health NP
- 52% family NP
- 1% family psychiatric and mental health NP
- 3% gerontologic NP
- 1% neonatal NP
- 7% pediatric NP
- (.5%) pediatric acute care NP
- 8% women's health NP

2. Do you hold an additional advanced practice certification?

- 30% yes
- 70% no

3. Highest Degree Obtained

- 2% associate's
- 92% master's
- 3% bachelor's
- 3% doctorate

4. Current Position

(choose the one that most closely matches your current position)

- 3% academician
- 11% acute care NP
- 22% adult NP
- 3% adult psychiatric and mental health NP
- 1% aesthetics/skin care NP
- 35% family NP
- 1% family psychiatric and mental health NP
- 4% gerontologic NP
- 1% neonatal NP
- 7% pediatric NP
- 1% pediatric acute care NP
- 1% school NP
- 10% women's health NP

5. Primary Employment Setting

- 3% academia
- (.5%) aesthetics/skin care practice
- 3% cardiology clinic
- 1% college health (9 months)
- 1% college health (12 months)
- 1% corrections
- 1% diabetes/endocrinology clinic
- 1% elementary or secondary school
- 3% emergency department
- 16% family practice

- 3% gerontology (nursing home, assisted living, long-term care, etc.)
- (.4%) HIV clinic
- 15% hospital
- 6% internal medicine
- 3% mental health setting
- (.5%) neonatal unit
- 3% oncology clinic
- 4% pediatric practice
- 3% retail clinic
- 1% surgery setting
- 7% women's health practice
- 24% other (specify) _____

6. Do you own your own practice?

- 3% yes
- 97% no

7. Work Hours in Your Primary Employment Setting

- 83% full time (35 hours or more)
- 17% part time (less than 35 hours)

8. If part time, fill in your hourly rate.

\$40.32 average

9. If full time, what is your current annual salary (including bonuses and call pay, but not including nonmonetary benefits) as paid by your primary employer?

\$81,397 average

10. To whom do you report?

- 15% department or office manager
- 7% another NP
- 46% an MD
- 7% nursing director
- 14% more than one person
- 12% other (specify) _____

11. Years Practicing as a Nurse Practitioner

- 24% 0-2
- 4% 16-20
- 21% 3-5
- 3% 21-25
- 29% 6-10
- 4% 26 or more
- 15% 11-15

12. Do your job duties include call duty?

- 25% Yes
- 75% No (skip to question #14)

13. If yes, do you get paid for it?

- 38% Yes
- 62% No



14. Benefits From Primary Employer (full or partially paid)

- 17% health insurance
- 16% malpractice insurance
- 16% paid continuing education
- 8% professional association dues
- 17% paid time off
- 3% profit sharing
- 15% retirement plan
- 8% tuition reimbursement

15. How much do you spend on certifications, required registrations and licenses, continuing education and NP organizational dues that is not reimbursed?

\$1,472

16. How many prescriptions do you write per week?

- 6% 0
- 7% 11-15
- 5% 1-5
- 12% 15-20
- 7% 6-10
- 62% more than 20

17. Do you plan to open your own health care-related business in the next 5 years?

- 11% yes
- 89% no

18. Do you believe there are sufficient and appropriate job opportunities for NPs?

- 63% yes
- 37% no

19. Location of Work Setting

- 23% rural
- 39% suburban
- 38% urban

20. What is your gender?

- 8% male
- 92% female

21. Job Satisfaction

- 49% very satisfied
- 9% somewhat dissatisfied
- 40% somewhat satisfied
- 1% very dissatisfied