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SDPA NEWS AND CURRENT AFFAIRS

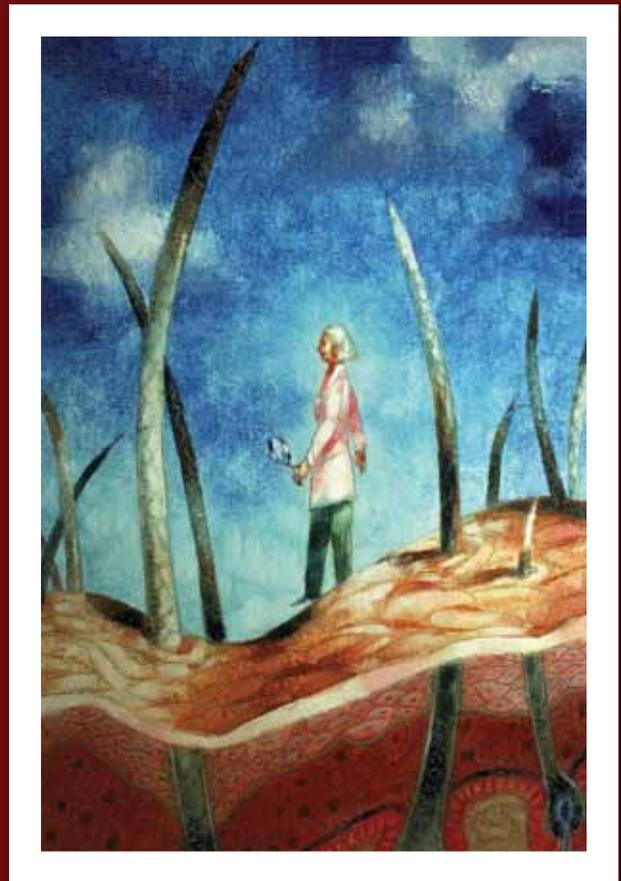
DERMATOLOGY PA NEWS AND NOTES

CLINICAL DERMATOLOGY

SURGICAL DERMATOLOGY

COSMETIC DERMATOLOGY

PROFESSIONAL DEVELOPMENT



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Is There a Glass Ceiling for PAs?

By Kasey Drapeau-D'Amato, MPAP, PA-C and Katherine Wilkens, MHIS, MPAP, PA-C

If you have been to a conference or networking event lately, this topic has probably come up between you and your PA colleagues. At one moment you'll be speaking to a PA who earns an annual salary of \$80,000, and the next moment you're speaking to a PA who is earning over \$200,000 a year. For some reason, there is a mystery surrounding PAs and their professional growth and earning potential. This has become a popular topic of debate, especially since PA professional duties can vary greatly from practice to practice. If you are wondering how you can grow professionally and advance your earnings, the following are some factors to consider.

Private Practice vs. Hospital

Do you work in private practice, a hospital, or a university setting? In a private practice setting your contract is something that is fairly flexible. It is discussed and agreed upon between you and your supervising physician (SP). In a hospital setting, your contract is most likely developed by a large corporation and executed by a HR department. Hospitals often have preset terms and conditions, and generally use a template contract for all PAs within the corporation. However, many PAs don't realize that even hospital-based contracts can vary in structure and be negotiable. Whether you are a new graduate or have ten years of experience, it is important to be prepared to show your interviewer statistics and data to prove your value. Presenting a good argument to prove your worth can make a significant difference in your compensation package.

Salary vs. Percentage

Do you have a permanent salary or are you paid based on a percentage of your collections to the practice? It is quite common for experienced dermatology PAs to desire a structure where a portion (or all) of their income is based on their collections to the practice. If you are just starting out in dermatology, you may choose to start with a base salary. Once you grow your practice and have a few years of experience under your belt, you and your SP can discuss adding a percentage based pay structure. There are a variety of ways to establish this structure, and it all depends on what feels appropriate to you and your SP. If you are going to negotiate a percentage based pay structure, it is important that your SP is willing to show you your

"numbers." These "numbers" are the figures that reflect what you bill and what you collect for the practice. It is best to review these figures on a regular basis, monthly or quarterly. Reviewing these figures regularly will remind you to pay attention to your patients' explanation of benefits (EOBs) and encourage you to bill efficiently.

Experience

Do you have work experience or are you a new graduate? Remember to be patient and wait to ask for a higher salary or percentage of collections until you have at least a year of experience under your belt. You need to focus on learning dermatology at the beginning of your career. Start with a comfortable base salary and negotiate increases as you gain more experience and expertise. Once you collect more revenue, your SP will be more likely to consider increasing your base salary or adding a percentage based structure. As you gain experience you will become more independent and efficient, and therefore a much more valuable asset to the practice. Your negotiations will become easier at that time. It is important to remember that you are an expensive risk at the beginning of your career, but once you have established trust and proven your worth, you and your SP can financially grow together.

Benefit Package

Do you have paid benefits? Many PAs don't realize how expensive their benefit package is to their employer. In some cases, a benefit package may be equal to 50% of your income. Each of these benefits has a cost to your practice, so you have to decide if you would rather have the benefit or sacrifice the benefit for additional income. It is important to not take for granted the expense of a generous benefit package.

Benefit Examples:

- Malpractice insurance
- Health/dental insurance
- CME allowance
- Paid vacation/sick time
- Matched 401K
- Support staff who were hired to specifically support you

Cosmetic vs. General Dermatology

Do you perform mostly cosmetics or general dermatology procedures? It is a common misconception that PAs can earn more income if they perform a lot of cosmetic procedures. What PAs may not realize is that cosmetic procedures have significantly higher overhead costs to the practice compared to general dermatology procedures. Sometimes the cost of the cosmetic products (e.g., Botox, fillers, etc.) is subtracted before calculating the PAs collections. If you do not subtract out the cost of materials, many PAs and SPs find that it works best to define different percentages for collections based on cosmetic procedures versus general office procedures versus surgical procedures. This tiered structure can be established to account for the high overhead cost of products such as Botox, fillers, and laser maintenance. Don't be afraid to ask for separate percentage structures depending on the type of procedures you are performing.

Overhead

Do you consider overhead costs as part of your concern? Fortunately, PAs are not typically responsible for overhead costs. However, your SP may have significant overhead expenses, and with recent changing insurance reimbursements, your SP may be feeling a bit strapped. While it is not necessary, it is considerate to keep in mind all of the overhead that goes into maintaining a practice and evaluate the best time to conduct your personal negotiations with your SP. For example, you might want to wait until after the new medical assistant is hired or after the new laser is purchased to discuss your re-negotiations. If your SP recently spent a lot of money on the practice, he/she may be less open-minded to increase your salary at the same time. Your SP will appreciate you looking at the business as a whole. A team approach to medicine is how PAs function best, and if you take this approach when negotiating your contract, you and your SP will be better able to find an acceptable compromise.

Professional Colleague

Does your SP treat you as a professional colleague? Does your SP introduce you to patients? Does the office staff accommodate you, respect you, and schedule patients with you? Do you have your own office or workspace that is similar to your SP's? PAs are competent medical providers but can sometimes fall into a grey zone of employee versus professional colleague in the eyes of physicians. It is important that the staff and patients see you as a colleague to your SP and physician co-workers. You will not gain respect in the medical community if you are underutilized or

seen as a medical assistant. Office managers and staff should respect the PA the same as they do physicians. In return, you should treat your staff with respect. A PA can only be as productive as the staff allows. It is crucial for the success of the PA to be seen as a trusted member of the medical team.

Even after taking into consideration the above strategies to increase your income, there are a multitude of other ways that PAs can create more income for their practice and in return see more personal financial growth. It is important to have open communications with your SP about his/her visions for the practice. Once you open the lines of communication, there are many creative opportunities that can be both rewarding and lucrative for the entire practice. Keep your eyes open for suggestions relating to creative practice solutions in upcoming issues of the JDPA. 🗣️



Kasey Drapeau-D'Amato, MPAP, PA-C is the President and founder of Certified Physician Assistant Consulting (www.certifiedpaconsulting.com). She received her Master's degree in Physician Assistant Practice from the Keck School of Medicine's Physician Assistant Program at the University of Southern California in 2003 and has been working as a Physician Assistant in Southern California since that time. She currently practices in one of the largest private practice dermatology groups in Los Angeles. Kasey achieved the status of SDPA Diplomate in 2011 and is very active in the SDPA. She has written and contributed to multiple medical journal publications on the topics of the PA profession and compensation. She is also a regular contributor to the SDPA's website public forum, where she provides guidance to her colleagues and peers.



Katherine Wilkens, MHIS, MPAP, PA-C is the Vice President of Certified Physician Assistant Consulting (www.certifiedpaconsulting.com). She received her first Master's degree in medicine and Health Information Systems from Loma Linda University. She obtained her second Master's degree from University of Southern California's Keck School of Medicine's Physician Assistant Program in 2003. Katherine currently practices dermatology in Northern California in a private practice setting. She serves as the Clinical Administrative Manager for three separate offices. Katherine has maintained additional clinical skills by continuing to work in the ER. She has also been an employee of CEP, California Emergency Physicians, since 2003.