

A moment in time that marks a significant move, especially in the development of a market or industry

INFLECTION POINT

The Prescribing Impact of Nurse Practitioners and Physician Assistants Grows

By Richard Tinsley and Timothy Carl, Ph.D.

Executive Summary

There are over 150,000 Nurse Practitioners (NPs) and Physician Assistants (PAs) with prescriptive authority in most U.S. states.

- NPs and PAs are prescribing more drugs than in the past and do so with more autonomy
- Scripting data for NPs and PAs understate and undervalue their actual prescription level and influence
- NPs and PAs are underdeveloped target groups for pharmaceutical sales and marketing initiatives

NPs and PAs on the rise

Increasing pressures and costs on the U.S. health-care system are leading to fundamental changes in how services are provided. One of the key trends is the growing dependence on NPs and PAs to treat

patients. As a response to this demand, the number of NPs and PAs has risen to over 150,000 and the growth rate is likely to continue (Figure 1).

Although there are different certification process for each state, the majority allow NPs and PAs to have prescriptive authority for most drugs (Figure 2), and in some states they can prescribe controlled substances after registering with proper authorities.

Figure 1: Rising number of Nurse Practitioners and Physician Assistants in the U.S.

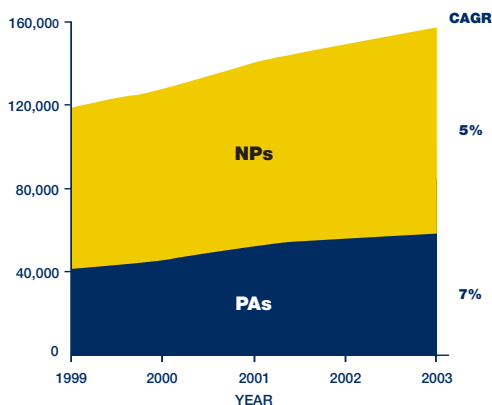


Figure 2: Current requirements and prescription authority for PAs and NPs

	Nurse Practitioner	Physician Assistant
Four year College Degree	Yes	Yes
Special certificate	Yes	Yes
Master Degree	Yes†	No
Yearly CME	Yes	Yes
Prescriptive authority*	Yes	Yes

*In the majority of states

†Not mandatory

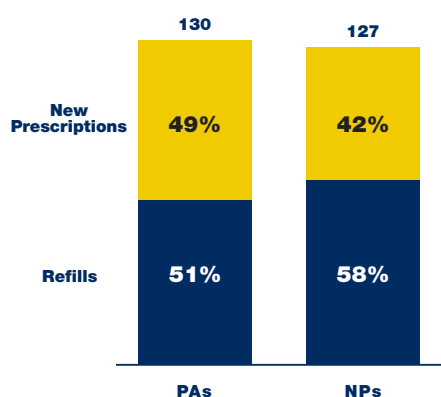
Source: American Nurses Association, American Association of Nurse Practitioners, American Academy of Physician Assistants

Surprising level of scripting authority and autonomy

PAs and NPs have similar roles within healthcare practices and they consider themselves as key healthcare providers and patient educators, often citing their ability to spend extra time with the patients as

compared to physicians. Most importantly, NPs and PAs report that their roles are evolving from assisting physicians to treating and following their own patients, which includes writing prescriptions, monitoring treatment progress and in some offices, having their own examination rooms. The patients that NPs and PAs see typically do not have advanced ailments or require highly sophisticated treatments. Nevertheless, they do require prescriptions and drug therapies that can entail multiple or extended regimens. While prescribing used to be exclusive to physicians, interviews with NPs and PAs show that they are reporting the writing an average of 130 prescriptions per week (Figure 3).

Figure 3: Self-reported average number of total scripts written per week by PAs and NPs



Healthcare practices rarely have internal processes for selecting drugs to treat various conditions. In fact, most NPs and PAs surveyed said they had complete authority to prescribe any drug they felt adequately addressed their patients' conditions.

IMS data greatly underestimates NP and PA prescribing impact

The number of prescriptions written by NPs and PAs is underrepresented in current scripting data because of a mix of regulatory constraints, pharmacy predilections, and script pad design. Many states have regulatory requirements where script pads used by NPs and PAs must also include the name of the

practice physician in the masthead - and it is often listed first. At the pharmacy, if there is ambiguity as to who is the prescriber, the prescription will be attributed to the practice physician. In many cases, even when it is clearly noted on the pad that it is the NP or PA writing the prescription, the script is still recorded under the physician's name by the pharmacy. This behavior is confirmed when refills are sought by the patient from the PA or NP. Despite having been written by the PA or NP, the majority of scripts are recorded under a practice physician. These findings point to a physician default and inconsistency in proper recording procedures at many pharmacies. This recording confusion results in significant undercounting of the true level of prescribing by NPs and PAs as reported by traditional data sources.

Sales representatives neglect PAs and NPs at their peril

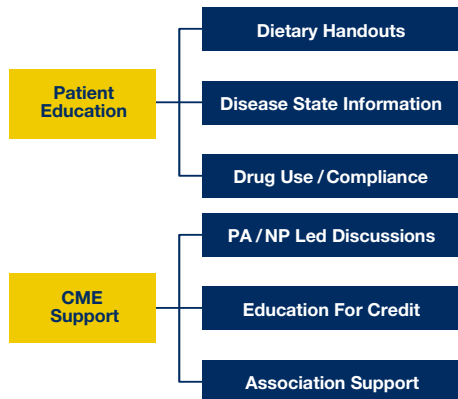
Sales representatives are most successful when they develop positive relationships with prescribers. Not knowing the actual prescribing behavior of NPs and PAs unintentionally weakens the effectiveness of sales representatives when they make office visits. If traditional data sources show that the physicians are writing most of the prescriptions from that office, very little time will be spent on anyone else. In some therapeutic categories, this inattention to NPs and PAs can have adverse results. In our research, NPs and PAs said that when they felt unrecognized by sales representatives, human nature led them to develop a negative perception of that representative, the product and the product's company. In some cases, it led to reduced product use.

Opportunity for relationships and education

In our work, we also found NPs and PAs have unmet educational and resource needs. They expressed a strong desire for patient education materials that could allow for rapid assessment of disease conditions, co-morbidities and negative drug interactions.

Other interests included pharmaceutical companies sponsoring CME educational programs focused on their unique roles. Training programs led by NP and PA thought leaders who understand the subtle nuances could provide an attractive alternative to current programs led by physician experts.

PAs and NPs have a Unique Set of Educational Needs



Most importantly, NPs and PAs want to be recognized by sales representatives for their pivotal role and growing contribution to the health care system. They spend more time with patients than physicians do and patients feel more comfortable posing questions to them than to physicians. As such, NPs and PAs find themselves in advisory roles educating patients about their prescription options. Both PA and NPs expressed the value of relationships with sales representatives who have a clear understanding of their prescription authority and who are responsive to requests for information or samples. Companies who proactively address their needs are rewarded for their efforts.

Strategy Questions

As reimbursement and cost containment pressures continue to escalate, NP and PA prescribing patterns and influence will become increasingly important to overall sales strategy impact. Below are assessment questions to help understand your sales strategy alignment with prescribing NPs and PAs:

- Do I understand the risks and opportunities that Nurse Practitioners and Physician Assistants present to my product?
- There are over 150,000 licensed NPs and PAs as compared to 600,000 Primary Care Physicians in the U.S. What percentage of my product sales comes from these prescribers? 5%? 10%? 15%? 20%?
- Does my current sales and promotion strategy meet the relationship and educational needs of NPs and PAs?
- Do any of our current sales practices or promotions potentially alienate this important audience?
- If change is needed, how do I do so cost-effectively?

INFLECTION POINT is a publication of Putnam Associates that shares timely healthcare market information of strategic importance. Richard Tinsley is a Partner and Timothy Carl, Ph.D. is a Senior Consultant at Putnam Associates. For more information about Inflection Point or this specific topic, please contact Jay Wager at 781.273.5480 or jwager@putassoc.com.

Putnam Associates is a leading business strategy consulting firm focused on the pharmaceutical, biotechnology, diagnostics, and medical device industries. We offer objective, knowledgeable viewpoints to our clients, supporting them in making crucial commercial decisions at all stages of a product's lifecycle. For more information about Putnam Associates please visit our web-site, putassoc.com.