UC DAVIS HEALTH

Financial Agreements from a Specialty and Primary Care Perspective

MEDICAL CENTER

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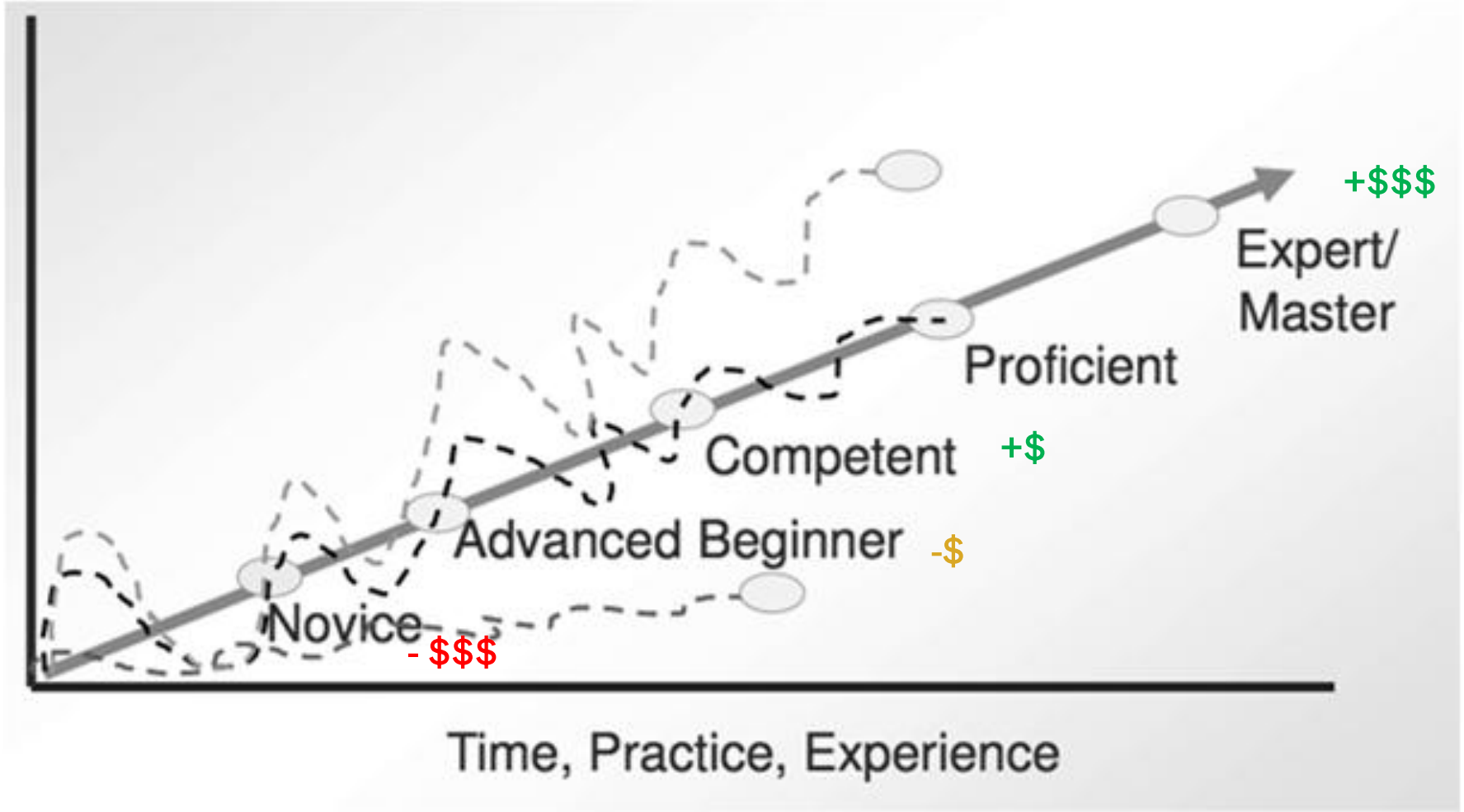
We have no conflicts to disclose

Objectives

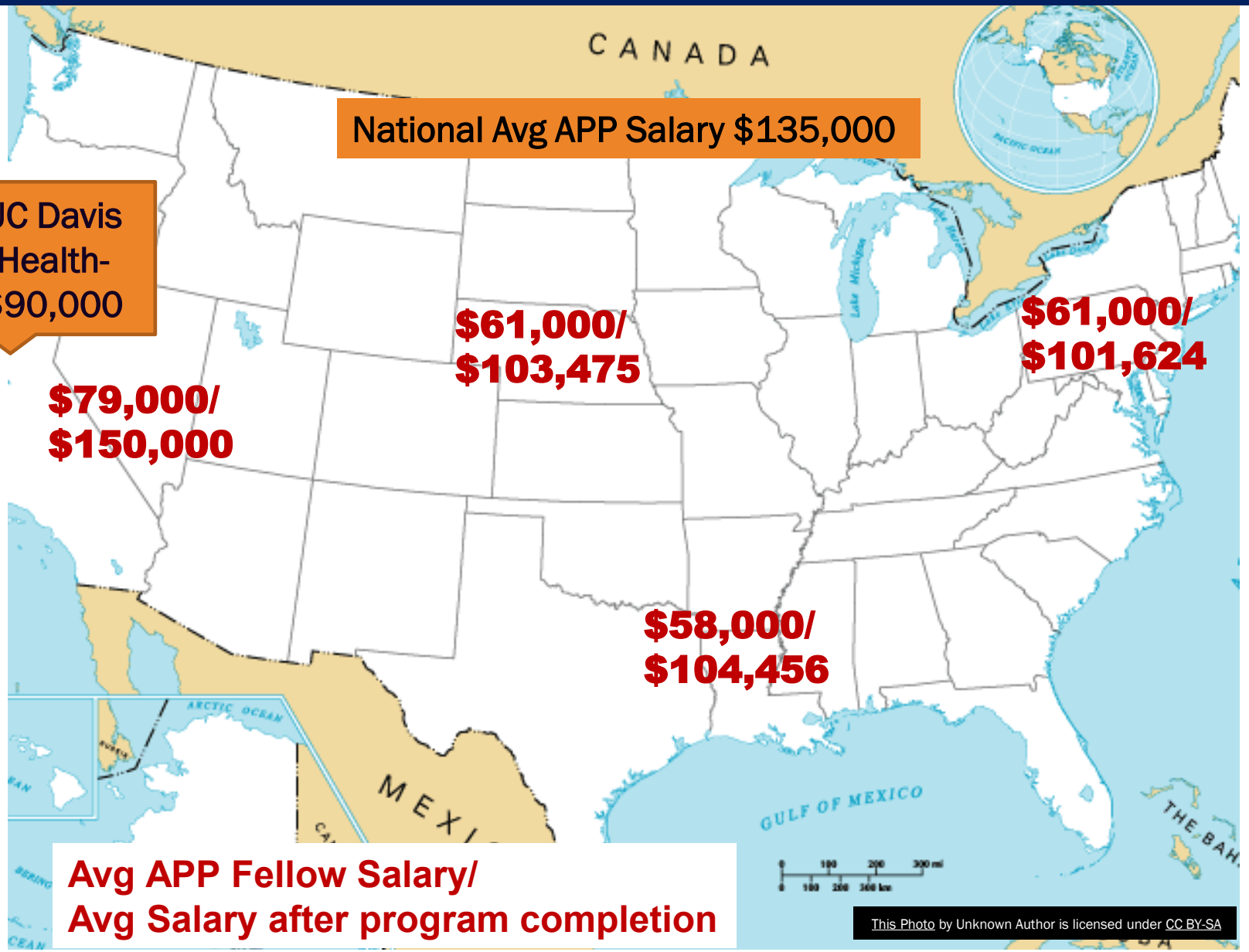
1. Understand the financial drivers of an APP Fellowship program
2. Compare and contrast strategic differences between primary and specialty care funding models
3. Identify and apply innovative funding models that will contribute to sustainability of an APP Fellowship or Residency

FELLOWSHIPS DEVELOP NEW APPS FROM NOVICE TO EXPERT



- There is no shortcut to experience
- Substantial financial investment in the first 1-2 years of employing an APP
- Fellowships creates a pipeline of qualified providers

SALARIES BIGGEST COST IN BUDGET



2025 NATIONAL SURVEY OF APP FELLOWSHIPS

MORE THAN 200 PROGRAMS

NORTHEAST	$61,000
SOUTH	$58,000
MIDWEST	$61,000
WEST	$79,000

Benefits: variable depending on site
*HRSA fellow salary cannot be greater than 70% of working NP salary

EXTERNAL DRIVERS

External drivers are shaped by national healthcare trends, regulatory bodies, and community health requirements.

WORKFORCE SHORTAGES:

ADDRESSING SEVERE PRIMARY CARE AND SPECIALTY PROVIDER DEFICITS, ESPECIALLY IN RURAL AND MEDICALLY UNDERSERVED AREAS.

CREDENTIALING STANDARDS:

ALIGNING WITH EVOLVING NATIONAL CERTIFICATION AND PROGRAMMATIC ACCREDITATION STANDARDS

(E.G., CONSORTIUM, ANCC, OR CCNE).

HEALTHCARE EQUITY:

MEETING FEDERAL AND STATE MANDATES TO EXPAND ACCESS TO HIGH-QUALITY CARE FOR VULNERABLE POPULATIONS.

GRANT FUNDING:

CAPITALIZING ON FEDERAL TRAINING GRANTS, SUCH AS HRSA ANE-NPRF FUNDING OPPORTUNITIES TO OFFSET PROGRAM COSTS.

COMMUNITY PARTNERSHIPS:

SUPPORTING FEDERALLY QUALIFIED HEALTH CENTERS (FQHCS) THROUGH HUB-AND-SPOKE CLINICAL ROTATION MODELS.

COMPLEX PATIENT ACUITY:

RISING GENERAL POPULATION CHRONIC ILLNESS BURDENS REQUIRING ADVANCED CLINICAL DECISION-MAKING.

INTERNAL DRIVERS

Internal drivers stem from the immediate clinical, operational, and financial needs of the academic health system and schools.

Transition to Practice:

Bridging the clinical readiness gap for newly graduated NPs and PAs.

Provider Retention:

Reducing high first-year burnout and turnover rates through structured clinical and emotional support.

Operational Productivity:

Accelerating the timeline for new hires to achieve full, independent clinical billing productivity.

Patient Safety:

Lowering diagnostic and medication errors by mitigating early-career clinical competency gaps.

Care Standardization:

Embedding institution-specific evidence-based practices and clinical workflows early in a provider's tenure.

Recruitment Incentive:

Attracting top-tier graduates who actively seek structured postgraduate training opportunities.

PRIMARY CARE APP FELLOWSHIP

- Home in the Betty Irene Moore SON
- 20-25 Fellows Annually
- FNP, AGNP, PNP, WHNP, PMHNP
- Salary $90,000 with full benefits

Primary Care Program Value Proposition for Academic Partners

APP Fellows EXPECTATIONS	COMMITMENT
Program duration	October 1 – September 30
Orientation & onboarding	2.5 weeks early October
Clinical practice	4-days: Mon, Tue, Th, Fri [Weds; dedicated education]
Education days	2 afternoons month synchronous 4-5 hrs Other Wednesdays – QI project, pre-learning materials, reflections
Program Oversight	Assigned Individual Mentors Clinical Faculty Liaisons • monthly check in • 3-4 site visits per year Preceptor training (getting revamped)
Quarterly skills	Jan, Apr, July, Sep in-person [Mon-Wed the last week of month]
Advanced primary care sills	Advanced skills ~150 hours Didactic education ~360 hours Women's health - LARCs, Nexplanon; IUDs- Liletta, Mirena, Paragard; medication abortions and first-trimester aspiration (surgical) abortions. Advanced suturing, punch biopsies, joint injections Wound care certification

In-Kind Support from SON & UCD Health for PC APP Fellowship

Personnel	**HR and Academic Personnel for Admissions** **Contracts Office** **Administration** **Payroll**
Training Sites	**Classroom** **Simulation suites** **Task room**
Technology	**Canvas. New Innovations** **Zoom** **UpToDate**
Organizational Support	**Deans Suite/APP Leadership** **Credentialing. Accreditation** **Billing and Coding, Compliance**

APP PC Fellowship Financial Model — Braided Funds

Three funding streams weave together to fully support each fellow

UCD SON with HRSA Funding

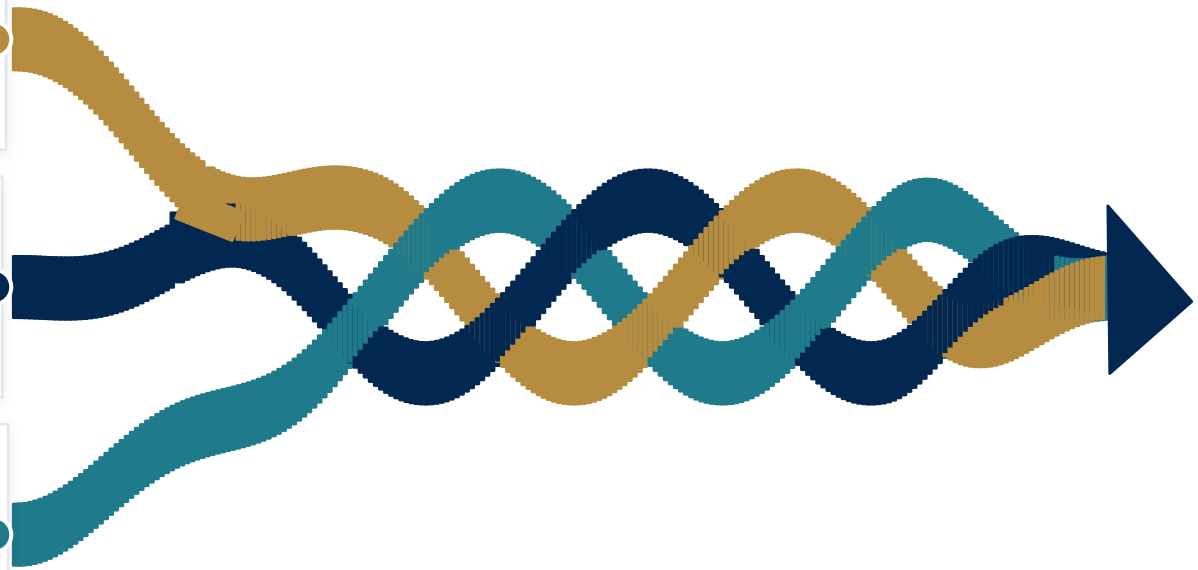
12-mo benefited positions
Provides all academic programming
Space • Sim lab • Library • LMS
Pays ~1/3 of APP salary + program admin

UCD SON Clinical Placements

UCDH clinic or FQHC takes APP for clinical work, provides preceptor, bills for services, keeps all clinical income
Pays flat fee ~ APP 2/3 salary

FQHCs who partner for Academics

Employs APPs in 12-mo benefited position
Pays APP salary from clinical revenue
Pay fee to UCD SON for academic program



FULLY FUNDED & EDUCATED

APP Primary Care Fellow

12-month benefited position

4 days clinical / 1 day didactic

360+ hrs didactic education

150+ hrs advanced clinical skills

10 hrs QI training

30 hrs Wound Care training

Funding Streams

UCD SON — with HRSA Funding

HRSA FUNDING GOES TOWARD 1/3 APP SALARY AND PROGRAM STAFF AND OPERATIONS

UCD SON – with Clinical Placements

CLINICS PAY 2/3 APP SALARY FROM CLINIC REVENUE AND PROVIDE PRECEPTOR

FQHCS – Partner for Academic Program

FQHCS EMPLOY APPS, PAY SALARY AND PAY A FLAT FEE FOR ACADEMIC PROGRAM

APP Primary Care Fellow Productivity

Range of Visit, Patient Counts & Productivity

Resource Provider	Months in Fellowship	Total Patient Count	Total Visit Count	Telehealth Visit Count	Clinic Billed/Collected
FQHC NP 1 FNP w/ peds	8 month Grand Total	449	572	54	**$114,858**
FQHC NP 2 FNP Adult	9 month Grand Total	992	1,046	62	**$305,788**
FQHC NP 3 FNP Adult	9 month Grand Total	569	703	86	**$205,444**
FQHC NP 4 FNP Adult	8 month Grand Total	502	504	13	**$96,881**
FQHC NP 5 FNP Adult	8 month Grand Total	781	848	177	**$182,397**

UC DAVIS HEALTH

Advanced Practice Specialty Fellowships: Finance and ROI

MEDICAL CENTER

Danise Seaters, MSN, ACNP,
Director APP Specialty Fellowship

Physical space/locations

- Training sites
- Dedicated workspace
- Video conferencing

Human resources

- Recruit key program staff
- Identified preceptors
- Identified off service rotations
- Planned educational content

Financial support

- Develop a program budget
- Obtain approval
- Define salary/benefits

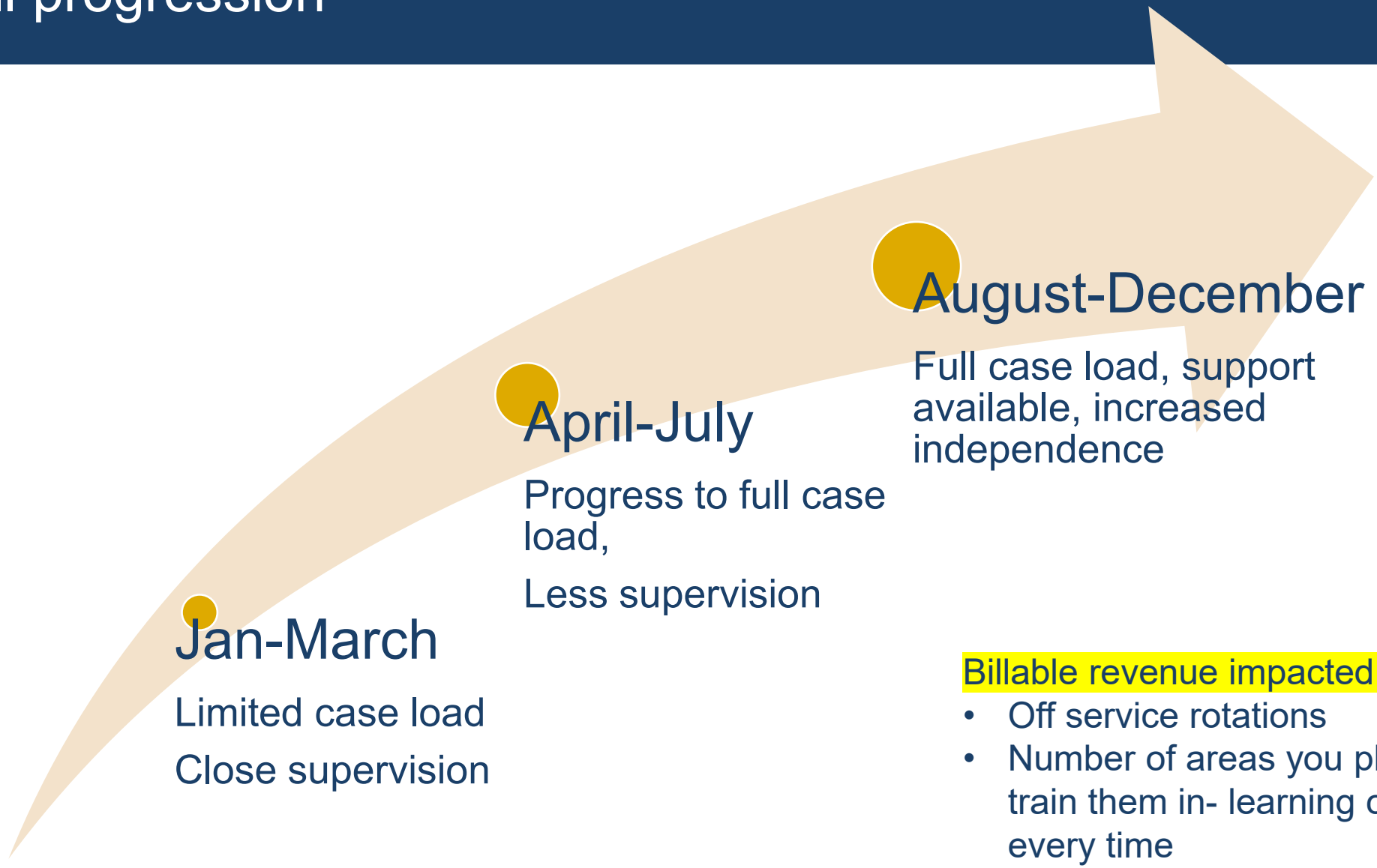
Organizational support

- C suite Leadership
- Operations
- Billing/coding
- IT
- Finance
- Department support

FINANCIAL SAVINGS

- LOW CLINICAL EFFICIENCY FIRST YEAR OF PRACTICE
- FELLOW LABOR COSTS ARE ABOUT HALF OF WHAT WE WOULD PAY A HIGHLY QUALIFIED NP
- SAVED RECRUITMENT COSTS BY TARGETING “DIFFICULT TO FILL POSITIONS”

Skill progression



Billable revenue impacted by:

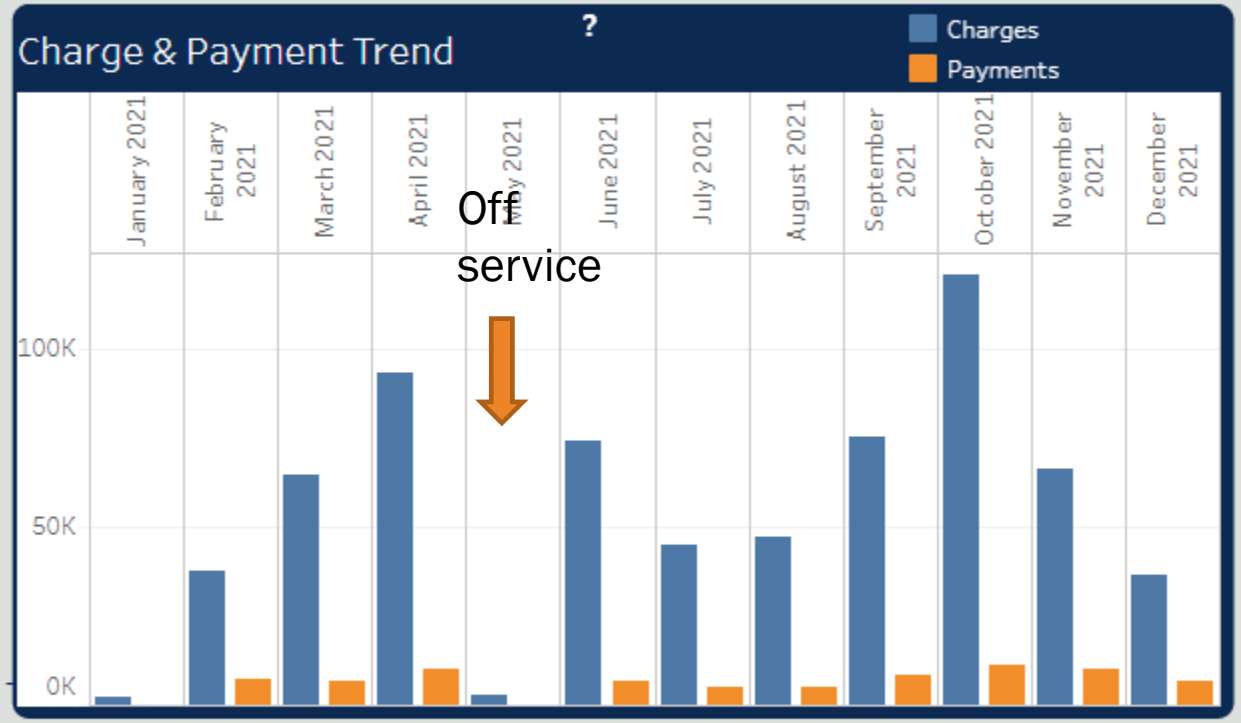
- Off service rotations
- Number of areas you plan to train them in- learning curve every time

RADIOLOGY FELLOW

APP Productivity Dashboard

Please note the dashboard reflects billable encounters captured as either the service or billing provider. It does not reflect care that was performed but not billable. This includes bundled payments, care provided by another billing provider within the same 24 hour period or other restrictions.

Charge & Payment Trend



Billed Visits* by CPT Groups

CPT Group 1 522

Billed Visits is the frequency of a billed CPT code, not ACTUAL ENCOUNTERS

Billed Visits, Charges, Payments and wRVUs*

RVU's are estimated for Service Provider, and will not balance to other standard reports

Month of Post Date	CPT Group	Billed Visits	Charges	Payments	Work RVUs
Grand Total		695	$665,868	$77,948	1,161

ENDOCRINOLOGY FELLOW

APP Productivity Dashboard

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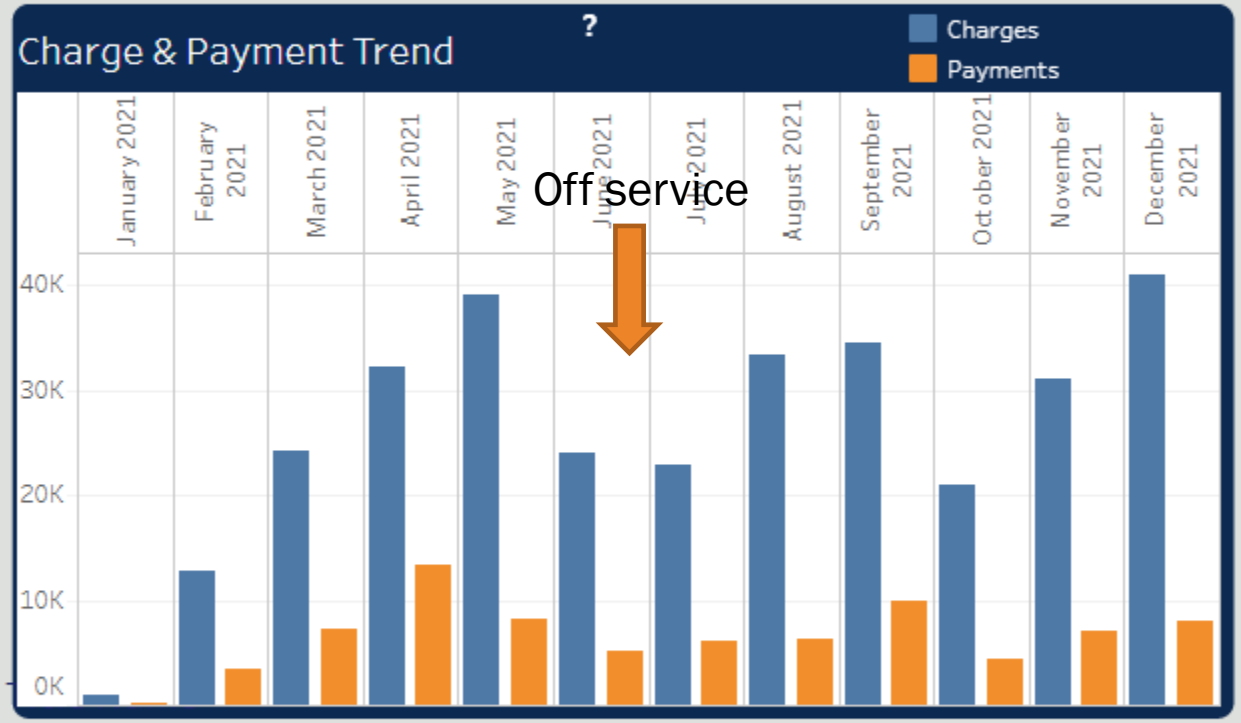

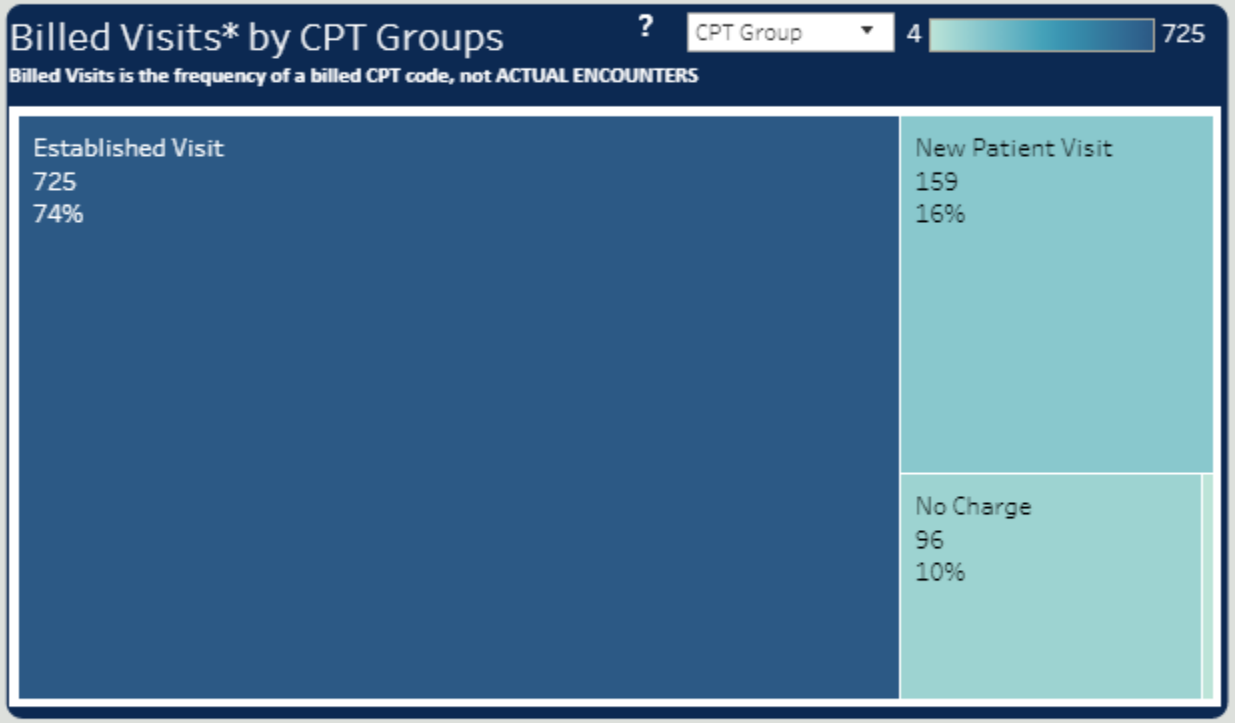

Billed Visits, Charges, Payments and wRVUs*

RVU's are estimated for Service Provider, and will not balance to other standard reports

Month of Post Date	CPT Group	Billed Visits	Charges	Payments	Work RVUs
Grand Total		984	$317,317	$79,224	1,885

APP LOSS

- Negatively impacts financial performance in the following ways:
  - Estimated costs of loss of a single APP is 1.3 x their annual salary - $250,000 per provider
  - Increases staffing costs- time to interview, train, develop orientation plans, double staffing
  - Losses are linked to decreases in quality
  - Repeated loss of staff negatively impacts retention

FELLOWSHIP PROGRAM

Significantly reduces turnover and vacancy

Improves

Commitment to the organization	Team skills
Work satisfaction	Clinical leadership skills
Employee engagement	Critical thinking skills
Self-confidence	Absenteeism
Time management skills	Clinical competence

Questions for Discussion

Pat Dennehy & Mitch Erickson are our Table Facilitators

1. The value case (benefits). What is the most compelling return-on-investment argument for your leadership — reduced turnover and locum/vacancy costs, faster time-to-full-productivity, expanded access for underserved panels — and do you have the data to prove it?

2. The funding cliff (risks). How much of your program currently rests on time-limited money (HRSA grants, philanthropy, one-time state funds), and what is your bridge to recurring operational support when that funding ends?

3. Structural obstacles (barriers). What is the single biggest structural barrier to sustainable financing in your setting — e.g., APPs' exclusion from Medicare GME, productivity/billing expectations during the training year, or getting practice partners to share the cost — and what would it take to move it?