

Overcoming the Top 5 Obstacles to Independent Practice

Nurse Practitioner Business Guide



The healthcare industry is changing rapidly, and there has never been a better time for nurse practitioners to start their own independent practice. However, starting a business can be challenging, especially in healthcare where regulations, business, and financial concerns can be overwhelming. In this guide, we will discuss common obstacles nurse practitioners face when starting their own practice and provide tips on how to overcome them.

Obstacle 1: Reduced and Restricted Practice States

Obstacle 2: Financial Concerns

Obstacle 3: Challenges of Business Ownership

Obstacle 4: Differentiating Yourself from Competitors

Obstacle 5: Getting the Word Out



Obstacle 1: Reduced and Restricted Practice States

Collaborating agreements, also known as collaborative practice agreements (CPAs), are legal documents signed by a nurse practitioner and a physician that outline the terms of their professional collaboration. In some states with restricted practice laws, these agreements allow NPs to practice to the full extent of their education and training, while having a supervising physician they can consult with as needed. However, laws vary and in other states and NPs may be able to practice in some settings without physician oversight.

NPs sometimes have more freedom to practice independently in states with reduced practice laws but may still be restricted in certain areas such as prescribing certain medications or performing certain procedures. Collaborating agreements can help bridge this gap by allowing NPs to work with a physician to provide a wider range of services to their patients.

Entering a collaborating agreement may be much easier than you might think. Experienced practice consultants can assist and guide this process for NPs who wish to practice independently with a collaborating physician.



Obstacle 2: Financial Concerns

Financial concerns can be one of the most significant barriers to starting a private practice. As an independent nurse practitioner, you will be responsible for building your patient base and balancing what you charge with what patients can afford. Starting a practice also entails considerable startup costs, including equipment, office space, medical and liability insurance, and legal fees.

Before starting your practice, research, and budget for all the required resources that you will need for the initial stages. Consider seeking advice from a trusted financial advisor. Experienced NP practice consultants can help you create an annual budget and determine the patient volumes you'll need to set your business up for financial success.



Obstacle 3: Challenges of Business Ownership

You may have excellent clinical skills, but running a profitable and successful business requires a separate set of skills, such as marketing, accounting, and billing. Many NPs find it challenging to balance patient care with running a business, including managing human resources, payroll, and financial management systems.

Fortunately, many effective EHR systems cater to healthcare's particular needs. Make sure you invest in software that includes schedules, billing, financial management, and a centralized system to manage patient records electronically. Turn to other independent NPs and/or practice consultants for recommendations on software and best business practices.



Obstacle 4: Differentiating Yourself from Competitors

As a new practice owner, you're likely entering a market with established competitors. To overcome this obstacle, it's crucial to focus on what makes your practice unique and highlight these differentiators in your marketing. For example, you might specialize in a specific health condition, have more experience, or offer more personalized care than others in your area.

Think about your target audience, what makes your practice unique, and how to position yourself in the marketplace. Building a brand that resonates with potential patients can help to differentiate your offerings from the competition, ultimately leading to more clients and higher revenue.



Obstacle 5: Getting the Word Out

NPs receive extensive training in healthcare and medicine, but they may not always be familiar with the importance of networking. Cultivating relationships with local providers can help increase referrals to your independent practice. Consider reaching out to local physicians and building relationships through informational interviews, referrals, or other collaborations.

Along with social media platforms like Facebook, Twitter, and LinkedIn, a professional, informative website that showcases your background, services, and philosophy is also essential to spread awareness of your new practice. When vetting digital marketing services, be sure to choose an agency that has deep healthcare knowledge.



Key Takeaways: Overcoming the Top 5 Obstacles to Independent Practice

Independent ownership can be incredibly rewarding, albeit challenging to set up and manage. Nurse practitioners will need to overcome various obstacles to launch a successful business, including financial constraints, management skills, and networking. Learning how to address each of these issues will enable you to focus on providing high-quality patient care while running a successful business. Embrace the challenges and believe in your skills—the entrepreneurial path of starting your independent nurse practitioner practice can be one of the most rewarding experiences of your career.

Independence Doesn't Have to Mean Doing It Alone

With over 25 years of experience, the NP Advantage Team is uniquely equipped to help you bring your practice to life. From EHR services and operations consulting to practice marketing, billing and RCM, NP Advantage consultants provide guidance at every step of your journey towards independence.

Don't take our word for it, hear what our clients have to say

"I have been a nurse practitioner for 20 years and always feared dealing with credentialing, insurance and the other administrative tasks that I believed came along with having my own private practice. I still think that you need to have a good clinical base before venturing out on your own, but now with the support of my NP Advantage team I know that it is not as scary as I thought, and I wish I had done it much earlier!"

-Russell Horning, PMHNP-BC

**Contact us today to learn how NP Advantage
can accelerate your journey to independence.**

[Learn More](#)

