NURSE PRACTITIONERS' ASSOCIATION OF ONTARIO

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Independent Practice Guide

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This tool kit is intended to guide, offer support and resources to Nurse Practitioners (NP) who are interested in being self-employed or contracting their NP services.

The College of Nurses of Ontario (CNO) defines nurses in independent practice as those who are:

- self-employed for the purpose of providing nursing services, and/or
- operating their own nursing business (CNO-independent practice 2019).

NPAO has produced this document as a tool only, and takes no liability for an NP's practice and employment circumstances.

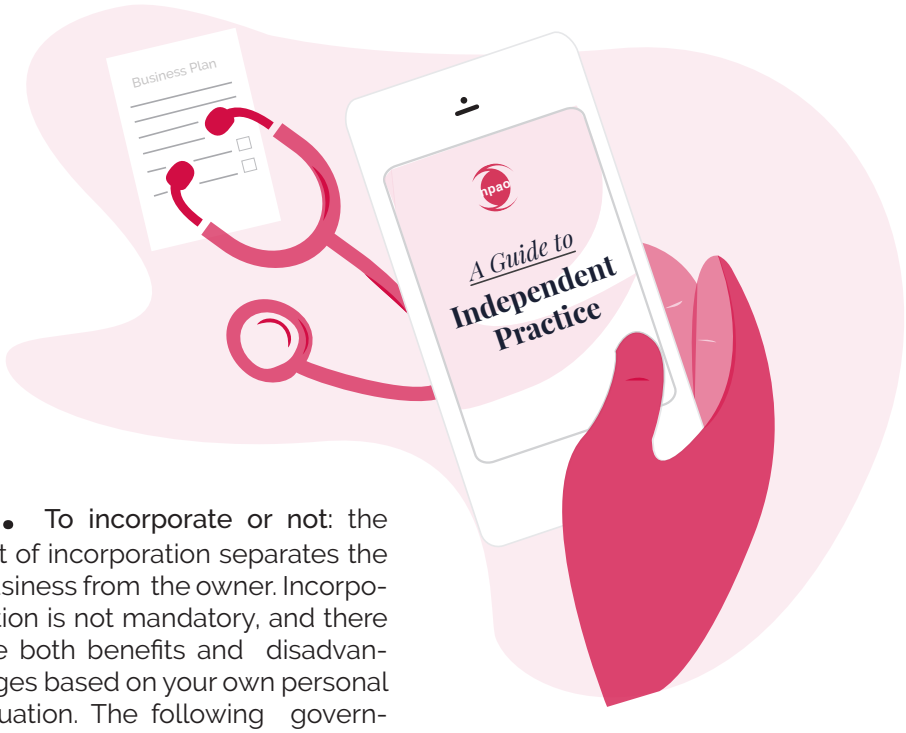
1. Potential opportunities for NPs for independent practice could include but are not limited to: providing consulting services, locum contracts, proposals to corporations for NP services, proposals to colleges and universities for NP services, employment by private practices or groups, proposals for retirement homes for NP services, providing specific services such as medical aesthetics, psychotherapy, etc.

2. According to the CNO Independent practice document (2019) NPs involved in independent practice are accountable to all the College practice regulations and standards. The CNO Independent Practice standard provides specific information on independent policies, health records, fees etc., and is a good starting point for your business planning. We strongly recommend you study and follow the guidelines provided in this practice standard.

https://www.cno.org/globalassets/docs/prac/41011_fsindepprac.pdf

3. To assist you in developing a business plan, the Ontario government offers many services to individuals who are considering starting their own business. There are small business enterprise centres around the province that offer free consultation services, reviews of business plans, guidance on small business regulations. The attached link can guide you to these services

https://www.ontario.ca/page/small-business-enterprise-centre-locations



4. To incorporate or not: the act of incorporation separates the business from the owner. Incorporation is not mandatory, and there are both benefits and disadvantages based on your own personal situation. The following government link will give you some useful information on incorporation:

https://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs06939.html

You may also find general small business support from the Federal government at

https://www.canada.ca/en/revenue-agency/services/tax/businesses/small-businesses-self-employed-income/setting-your-business.html

5. It is recommended that you review your personal business plan, potential contracts, and small business regulations with a lawyer and accountant. The accountant can help you register your business with Canada Revenue Agency (CRA), assist with invoicing, HST and quarterly tax submissions.

6. As an independent practitioner, you will need a mechanism in place to ensure you can provide all services needed for the client in that particular practice setting. If you are expected to provide care that goes beyond your legal scope of practice, you may consider medical directives as appropriate. CNO does have a standard on medical directives that provides guidance:

https://www.cno.org/globalassets/docs/prac/41019_medicaldirectives.pdf

The following web site can also help with medical directive templates: Inter-professional guide on the use of orders, directives and delegation for regulated health professionals on Ontario

http://www.regulatedhealthprofessions.on.ca/md-guide-home.html

7. If you will be working as a contractor for a physician or group to provide health services to their patients, be sure to have expectations ready so you can negotiate: wage, hours of work, benefits, number of clients in a day, admin time, support staff, collaborative partner availability, medical directives if needed, etc. The accompanying sample contract provides some examples. Please note the sample contract is not meant to cover all aspects of your potential business or relationship with a third party. It is meant to stimulate discussion and questions to provide further clarity on what services you will be providing and the responsibilities of each party involved. You may wish to have any employment contract reviewed by a lawyer.

8. Liability insurance: Professional Liability Protection (PLP) must be purchased separately and is legally required to practice in Ontario. You may also wish to purchase optional Legal Assistance for NPs (LA4NPs) to assist with legal representation for complaints to CNO. Both PLP and LA4NP are available from various providers, including the Canadian Nurses Protective Society (CNPS), Registered Nurses Association of Ontario, and, NPAO, as well as independent insurance providers. You will also need a business lawyer to review contracts. In the CMPA/CNPS joint statement on liability protection for nurse practitioners and physicians in collaborative practice, they have noted specific requirements and limitations on insurance: Please familiarize yourself with this document:

https://www.cnps.ca/uploadfiles/pdf_english/CMPA_CNPS_Joint_Statement_Nov_2013.pdf

9. Traps to avoid: Physicians cannot bill the Ontario Health Insurance Plan (OHIP) for work performed by an NP. As well, physicians cannot bill for delegation or "supervision" of skills already within the NP scope of practice. Professional services such as consultations, assessments, counselling, psychotherapy etc., must be personally performed by the physician in order to be covered by OHIP. Additional clarification regarding delegation and payment related to NPs was provided in an updated OHIP INFOBulletin released July 25, 2016 and can be found here:

http://www.health.gov.on.ca/en/pro/programs/ohip/bulletins/4000/bul4676.aspx

For more information, contact the Ministry of Health and Long Term Care (MOHLTC) Service Support Contact Centre at: 1-800 262-6524 (Hours of operation: 8:00am – 5:00pm) or email SSContactCentre.MOH@ontario.ca

SAMPLE NP – PHYSICIAN AGREEMENT

THIS AGREEMENT made as of this ___day of _____, 20XX
B E T W E E N:

Dr (name)
(the "Physician")
- and -
NP (name)
(the "NP")

WHEREAS the Physician seeks to acquire NP services for his/her medical practice;

AND WHEREAS the NP wishes to enter into an agreement with the Physician to perform such services;

NOW THEREFORE in consideration of the covenants and agreements hereinafter contained, the parties hereto agree as follow:

1. DEFINITIONS

a. "Act" means the Health Insurance Act, being R.S.O. 1990, Chapter H.6;

b. "Billing Number" means the Physician/ Nurse Practitioner (NP) Billing Number assigned by OHIP;

c. "Insured Billings" means billings rendered by the NP which are eligible for payment by OHIP;

d. "NP Compensation" means all monies payable to the NP under this Agreement;

e. "OHIP" means the Ontario Health Insurance Plan;

f. "Physician, Nurse Practitioner" means a physician or nurse practitioner (NP) as defined in the Act who is licensed and registered to practice in the Province of Ontario;

g. "Physician/NP Services" means the provision of medical advice, examinations, treatment and medical services generally, whether or not such services are insured services pursuant to the Act;

h. "Uninsured Billings" means billings rendered by the NP which are not eligible for payment by OHIP.

2. PURPOSE AND TERM OF THE AGREEMENT

2.1 This Agreement is intended to set out the basis on which the Physician has retained the services of the NP.

2.2 The term of this Agreement shall be for the period commencing on the (date) of and ending on (date), at which point the contract may be extended pending further discussion.

2.3 Upon execution of the Agreement, an executed copy shall be provided to each party.

2.4 The Physician and NP shall extend or shorten the term of the Agreement only by the written approval of both.

3. OBLIGATIONS OF THE RESIDENT PHYSICIAN

3.1 In consideration of the performance of NP Services by the NP, the Physician agrees as follows:

(a) to permit the NP to perform NP Services for the patients of the Physician during the term of the Agreement;

(b) to grant to the NP the right to use the medical offices and related facilities of the Physician located at (Location)

(c) to provide all the usual and necessary equipment, materials, and examination rooms which are necessary or desirable for the NP to provide appropriate NP Services to the patients of the Physician;

(d) to provide reception and office staff including nursing assistants at the level equal to that normally available to the Physician;

(e) to provide access to patient records and related information as is necessary or desirable to permit the NP to perform NP Services for the patients of the Physician;

(f) to maintain and keep in force a policy or policies of insurance respecting liability for personal injury or property loss; provided however, that the policy shall not include coverage with respect to the professional liability protection which must be maintained by the NP.

(g) to provide the NP with access to patient records as needed for legal purposes after the end date of this contract.

3.2 The Physician shall provide all the services and facilities described in Paragraph 3.1 at his/her own costs and expense. In particular, the Physician warrants that all rents and charges payable with respect to the medical offices, medical equipment, materials and supplies are fully paid for, or if leased, such leases are in good standing. With respect to office and administrative staff, the Physician represents and warrants that the employees are those of the Physician and all costs of such staff shall be paid by the Physician, including wages, benefits, statutory deductions or income tax, Canada Pension, Workers Compensation, employer health tax and all similar costs and expenses. It is acknowledged and agreed that the NP is not responsible for any such amounts and that the Physician will indemnify and save harmless the NP from any claims, costs, or damages which may be claimed against or incurred by the NP.

3.3 The Physician agrees that the NP Services will be provided by the NP through the NP Billing Number. The Physician agrees that he/she shall not be entitled to compensation by billing for work provided by the NP.

4. NP DUTIES

4.1 The NP agrees to provide NP Services to the patients of the Physician during the term of this Agreement. The NP agrees that he/she shall use the usual care and skill of an NP registered with the College of Nurses of Ontario in performing such services.

4.2 The NP hereby represents and warrants that to the Physician that:

(a) the NP is now and will remain during the term of this Agreement a licensed and registered nurse practitioner lawfully entitled to practice in the Province of Ontario;

(b) the NP is now and will remain a member in good standing in the College of Nurses of Ontario

(c) the NP entering into this Agreement will not now nor will in the future breach or offend any agreement, document or law which he/she may be a party to or bound by;

(d) the NP will execute and deliver such documents and consents as the Physician may request to verify the accuracy of the warranties, representations and covenants made herein;

e) any statements made in the application for the NP position are true.

4.3 The NP agrees to comply with the usual office procedures of the Physician.

4.4 The NP agrees to work # (hrs/days) per week, seeing a maximum of (number of clients) patients a day.

4.5 The NP agrees to take a maximum of (amount of vacation) unpaid vacation days during this period.

4.6 The parties are entering into this Agreement on their mutual understanding that no Goods and Services Tax (GST) is payable with respect to any aspect of the arrangement between them. In the event GST is payable by either of the parties, they agree to co-operate with each other to establish the minimum amount payable. Each agrees to remit to the other or to the Excise Tax Branch, Revenue Canada such reports, calculations and moneys as may be determined to be payable. Each agrees to indemnify the other with respect to any obligation either may incur with respect to such payments to the extent such obligations are the responsibility of the other. Such amounts may be dealt with as a Billing Adjustment.

5. DISTRIBUTION OF BILLINGS

5.1 The NP and Physician agree that the total compensation provided to the NP will be as follows:

i) the Physician agrees to pay a per diem/hr of $ (amt) per day/hr to the NP, to be paid monthly on the 15th of the month;
ii) all third party billings, including WSIB payments credited to the NP will be retained by the NP. This amount will be calculated by the clinic manager and will be paid monthly to the NP on the 15th of the month.

6. RELATIONSHIP OF THE PHYSICIAN AND LOCUM

6.1 The Physician and Locum acknowledge that this Agreement does not constitute a partnership arrangement or joint venture, that neither has the right to contract in the name of the other, and that liabilities incurred by one shall not be assumed by the other.
6.2 The NP agrees that he/she is not an employee of the Physician and that he/she is acting as an independent contractor for purposes of the services provided on behalf of the Physician.

7. NUMBER AND GENDER

7.1 It is agreed that unless the context of this agreement requires otherwise, the singular number shall include the plural and vice versa, the number of the verb shall be construed as agreeing with the word so substituted, words importing the masculine gender shall include the feminine and neutral genders, and words importing persons shall include firms and corporations and vice versa.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

_____	_____	_____
Witness	**Date**	**Physician – Dr (Name)**
_____	_____	_____
Witness	**Date**	**NP- (Name)**

This is for informational purposes only and is not a substitute for legal advice.
NPAO is not responsible for any outcomes arising from the use of this sample contract.