

Michael Menaster, MD, on

Fee policies: the 'write' way to prevent payment disputes

Discussing fees with your patients can be unpleasant, especially if you have had little or no business training. When patient-physician payment disputes turn nasty, they can dredge up feelings of fear, guilt, shame, responsibility, anger, and entitlement on both sides.

Some psychiatrists avoid discussing fees with patients, but this opens the door to unhappy surprises at billing time. An uninformed patient may feel used or betrayed after receiving your billing statement.

Presenting a written fee policy to new patients prior to treatment is one of the best ways to reduce payment misunderstandings. Taking a few minutes to discuss your fee schedule can improve your relationship with the patient, and he or she may appreciate knowing your policies up front.

What a fee policy includes

After listing regular charges for services, your fee policy also should address:

- charges for missed or canceled appointments. For example, how late can a patient cancel an appointment without being charged for it?
- penalties for bounced or returned checks.
- charges for psychotherapy sessions that extend beyond the allotted time, if applicable.
- fees for out-of-session contact. Spell out which scenarios are part of treatment and which will cost extra.
- late fees, including your grace period (e.g., 30 days from the date of the first billing) for on-time payment.
- charges for services not included with the office visit (e.g., report writing, communication with third parties, giving testimony at a trial).

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Writing the fee policy

When you write your fee policy:

- **Keep your policy to one single page.**

This way, the patient will not feel overwhelmed by the document's length. Be concise, and adjust the fonts and margins as necessary.

- **Have the policy reviewed by an attorney**, preferably one who is familiar with your local health care laws.
- **Review and update the policy at least once a year**, particularly when unforeseen situations arise, such as new legislation or managed care policy changes.

Discussing your fees

Discuss your fees during the initial office visit, so that the patient clearly understands his or her responsibilities during treatment. Patients who need structure or have problems setting limits will especially benefit from knowing

what they will owe up front. Where applicable, disclose anticipated charges when discussing informed consent.

Require a deposit for future visits. A patient who pays something at the start is more likely to remember your fee policies and less likely to contest

them. He or she also will get a clearer picture of the overall cost of treatment.

The deposit, similar to an attorney's retainer fee, should equal the cost of a missed visit or anticipated costs between appointments.

Sign the fee policy and have it signed. Make sure both you and the patient sign the policy immediately after discussing it. I've found that signing this document in front of the patient makes my dealings with him or her seem more interactive and personalized.

Where applicable, disclose your fees when discussing informed consent