THE OFFICE

# Charging for 'Free' Services

*The next time you manage to fill an hour responding to patients' e-mails, completing camp forms, or researching referrals, consider this: Some family physicians are starting to bill their patients for all that extra time. In this month's column, Dr. Kathleen A. Saradarian explains how she sets her fee policy for patients.*

Some insurance plans have indicated that as long as the patient is aware of these charges ahead of time, the charges are fair game. Others have sent warnings that the patient can be charged only copays, deductibles, and coinsurance, thus ignoring those "noncovered" items that are frequently not specified in contracts. So earlier this year, I began having patients sign a policy letter that they take home after the signed document is scanned into our electronic health record (EHR) system. For the most part, patients have accepted these fees. I think their acceptance is based on the fact that only those individuals utilizing the extra services are paying for the services.

I think it's powerful to spell out for patients the drawbacks of accepting payment from insurance companies. My letter explains that I participate in health insurance plans for the convenience of my patients. I cannot control what an insurance company will and will not cover. Nor can I control the amount of money that an insurance company sets as the allowable fee for my services.

I explain the bottom line: While the expense of running a practice has continued to increase from year to year, I have been unable to increase the amount of money the insurance companies pay me for my services; any increases that have occurred have not kept up with inflation and increasing costs. I therefore can no longer afford to provide uncompensated services free of charge.

In addition to charging a fee for e-mail and telephone consultations, we now charge nominal fees to patients the first time they request that a document be mailed, or if we are asked to write a letter or complete a school or camp medical history form at a time other than an office visit made specifically for that purpose.

By New Jersey state law, we are permitted to charge a fee for copying medical records. We therefore charge a $1 per page fee to copy a paper medical chart. And if the patient's history and records are stored electronically, there is a flat $10 fee for the summary. It costs time and money to provide such files, and recovering those costs is perfectly legal. However, state laws vary.

We also charge for medication refill requests that are not accompanied by an office visit. Although I do my best at each visit to make sure that patients have enough medication to last until their next visit, I often spend 2-3 hours every evening processing refill requests or requests for new medication for an old problem. Usually this is because people are overdue for their office visit. In the event that a patient is not overdue for a visit, a fee is not assessed.

Finally, the policy letter explains that a procedural code was created for offering office hours beyond the usual business hours. This extra fee ($30) is submitted first to the patient's insurance company. However, should the insurance company refuse to pay but allow the patient to be charged ("noncovered and billable"), the policy letter explains that the patient is then responsible for the fee.

For the most part, patients are accepting these fees as a fair charge for the extra work done on their behalf. Although a few individuals have balked, most patients understand, especially those who look at their explanation of benefit statements and see what we get paid versus what we charge. It is unfortunate that things have come to this. Many patients are already paying more and more for their health care out of pocket, and health insurance costs keep climbing. Unfortunately, much of that heath insurance money is not going toward their health care, but to insurance administrative overhead.

It's too early to tell if this will be successful or make much of a difference in the bottom line, but at least it already has patients thinking ahead about refills and planning to avoid those extra fees. This gets me home earlier at night, which is really the purpose. ■

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