

What You Need to Know About the Controversial “COVID-19 Fee”

September 28, 2020

by Naren Arulrajah, Ekwa Marketing

While dentists and patients alike are happy to see practices reopening, the new normal carries some harsh realities. One of the most notable is the increased cost of doing business. Increasing prices and usage of PPE (personal protective equipment) is just the tip of the iceberg. Dentists across North America are investing small fortunes in sanitation products, air purifiers, and increased labour costs for cleaning. Meanwhile, offices are seeing fewer patients per day, reducing revenue potential.

For these and other reasons, it costs more to treat a dental patient. The simplest and seemingly most logical solution is to charge more. Many dentists, along with other healthcare providers and businesses in other industries are doing just that. While it makes financial sense, it is a controversial approach. Here we discuss some of the key points in deciding if you should add a surcharge, and how to go about it without losing patient loyalty.

Is a COVID-19 fee right for your practice?

First things first

Start with the most important questions. Is a COVID fee ethical or even legal? What additional costs can you pass along to patients? The first place to look for answers is with local regulatory agencies and professional organizations for guidance. The answers may depend on your specialty and your location.

The Canadian Dental Association approved new codes for PPE costs, but they advise dentists to refer to provincial dental associations for guidance about fees. According to The Globe and Mail, The Association des chirurgiens dentistes du Quebec recommends an additional \$84 for time and liability, while the B.C. Dental Association allows dentists to charge what they see fit for PPE and costs of sanitation.

For dentists in some parts of the United States, recovering these costs may not be an option at all. New York state recently released new guidelines prohibiting such fees for insured patients and requiring that collected fees be refunded.

Patient demographics

It is difficult to find anyone who hasn't been financially impacted by the pandemic, but some have been hit much harder than others. Low income households are less likely to have significant savings to fall back on. Those with manual labor jobs are more likely to be out of work than office workers are because telecommuting is not an option. Families with children face the additional burden of time and costs associated with home schooling.

These are just a few examples of people who are likely to be facing severe financial struggles. Carefully consider your typical patient profile and determine if an additional fee is likely to create a financial barrier to care.

Your practice's financial stability

Like individuals, some businesses are better positioned to weather the financial storm. Has your practice received financial assistance? How much has the cost of supplies increased? What percentage of your procedures are high-risk, requiring exceptional sanitation measures? Do you have adequate financial reserves to carry through this difficult period? Are additional costs threatening the survival of your practice?

How much should you charge?

The answer is, it depends. Again, your first step should be to seek guidance from regulatory agencies. However, most if not all available guidelines will give a price range, or a maximum recommended amount. If you have some flexibility, or no guidance at all, it might be tempting to simply pick an amount that seems fair. You may not feel the need to justify it, especially if you know that it is only a portion of actual costs. Unfortunately, setting your fee is not that simple.

- **Decide what you are charging for:** Will the surcharge apply to the cost of PPE, sanitation, extra time, or other costs? The distinction is important for a couple of reasons. First, it may impact what insurance might cover. Second, patients want to know what they are paying for.
- **Determine costs:** In the interest of ethics, you want to ensure that the fee does not exceed the actual additional cost to your practice. More likely, the fee will only cover a portion of it.

In that case, you will be able to show patients that you are sharing in the burden, and not passing the entire cost along to them.

- **Account for different scenarios:** The extra cost for a simple, non-aerosol procedure will not be the same as a lengthy, aerosol-producing procedure.

Communication is the key to patient satisfaction

If you decide to add an infection control surcharge or similar fee, prepare yourself for a few unhappy patients. However, the majority of your patients are likely to be more understanding than you might expect – providing you are upfront and clear about the surcharge.

As we all know, dentistry is not the only industry suffering financially. From nail salons to auto repair shops, virtually every physical business place is incurring extra cost. Many are passing those costs along to customers, and not everyone is happy about it. Yet, across industries, the most common complaint is not about the fee itself, but about the lack of communication.

The angriest customers are those who were blindsided. When someone sees an unexpected fee added to the bill, the natural reaction is to feel overcharged. Typically, at this point, no amount of explaining will convince them that the fee is reasonable.

Being upfront and transparent about surcharges is a good start. Post a notice on your website and be sure to tell every patient about the fee at the time of scheduling. However, that may not be enough to pacify everyone unless you include a detailed explanation. Price gouging is an unfortunately common occurrence during any emergency, and people are wary.

One Ottawa dental patient was notified by email of an \$18.00 surcharge. She was so displeased that she took the issue to local media. Although she knew that costs are increasing, the amount seemed unreasonable. After all, dentists already use PPE, so it shouldn't cost that much more to add a few COVID-19 precautions. In her statement to a journalist, she said, "*With no explanation* of where that \$18 per client is going... That charge is just too high."

As a dental professional, you know that an \$18.00 fee is more than reasonable. Odds are, it only covered a small portion of the additional costs incurred by the dentist. But patients don't know that. When you inform patients of the fee, tell them more than the total. Tell them the reasons. Detail exactly what the fee covers and explain the extent of increasing care costs. Make sure that your patients realize you are not turning infection control surcharges into a profit center.

Conclusion

There is no good answer to a bad situation. However, there are good ways to determine what is right for your dental practice and your patients. Your plate may be overflowing already, but it is well worth taking the time and making the effort to consider all facts and factors before making a decision about COVID-19 related fees.

About the Author:



Naren Arulrajah, President and CEO of Ekwa Marketing, has been a leader in medical marketing for over a decade. Ekwa provides comprehensive marketing solutions for busy dentists, with a team of more than 180 full time professionals, providing web design, hosting, content creation, social media, reputation management, SEO, and more. If you're looking for ways to boost your marketing results, call 855-598-3320 for a free strategy session with Naren.