

The Price Is Right

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Alice, my office manager, took me aside recently and bluntly told me it was time to raise our fees. I knew the time was coming, but those old concerns about how my patients would accept it were stuck deep in my cerebral cortex ... stuck somewhere between the time in the third grade when Judy Pinkerschmidt threw away my valentine card and the time I lost the challenge to be first cornet at band camp. I mustered a feeble nod of agreement with Alice, then excused myself and went to the restroom and threw up.

Perhaps I'm being too dramatic. I've done this before. My first cash office call charge was \$8, which now seems impossibly low. That is, until I think of my DC father. He charged two bucks for an adjustment and \$1.50 if a patient would buy a "punch card" of 10 visits in advance. I remember that if one chiropractor in the county planned to raise their fees, they would call most of the others and try to convince them to raise their fees. Most of them charged about the same. It was a "chiropractic cartel," price-fixing like oil companies.

Years ago, I declared that I would link my office call to the price of a first-class postage stamp. That has become an uncanny prediction, since that is about what I charge now. That way I can always tell my patients to blame the Postal Service when I raise the cost of an office call. This scheme seems to make about as much sense as others I have encountered.

Take for instance, the practice of charging for each vertebra adjusted. It is a similar tactic to the "one dollar a scoop" Chinese food take-out concept. This never really caught on, perhaps because of human error on the part of the doctor. What do you do if you unintentionally adjust an extra vertebra? Do you charge for that one, too? Or do you say to the patient, "Don't worry, that one's on me!"

Case-basis price strategies always are popular. This means one discounted price for a certain amount of care, usually designed to maximize the potential of corrective care by encouraging patient compliance. This seems to be a reasonable plan. So why are many DCs so awkward in this arena? Often the offer becomes "all the adjustments you can withstand," like an "all-you-can-eat" buffet. In particular, I have watched some new practitioners promise too much with X-ray changes, ending up with post X-rays that didn't improve much and disappointed patients who quit coming back. What do you say to a patient like that, who has invested \$5,000, two years of their life and had 416 adjustments? "Sorry."

All chiropractors have patients who demand a great deal of attention with many questions, or who talk incessantly, making it difficult for the doctor to move on to the next patient. All of my patients seem to be in this category. Consequently, I have threatened to try a new pricing tactic. I will charge by the time I spend with the patient. I will carry a taximeter, which I will start when I enter the room. The meter will start at \$10 immediately, like the taxis at the airport. Problem solved.

I figure it must be harder to raise fees when one practices in a small town. It could become the topic at the local coffee shop. "Doc must have gone to one of those practice-building courses again," one citizen might say. Another person speaks up, "Didn't he just raise his price about eight

years ago?" Then an elderly man adds, "The last time he fooled around with his fees, he started charging for that roller table, but that only lasted about two months."

Somewhere in my computer there is a list of my "standard fees," which nobody pays. They are there as a nostalgic reminder of the days when we would bill insurance companies reasonable fees and they would pay some percentage of those fees. Then, managed-care companies discounted our fees, co-payments rose and now we have cash practices whether we want them or not.

There is a formula that I came across that has been helpful in deciding when to raise prices at the office. Take (A) the total amount of money you earn, and subtract (B) your total expenses. If the sum of A and B results in a negative number, get out your punch cards and increase fees!

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