



# **Becoming More Confident about Money: Veterinary Receptionist Essentials Mini Series**

## **Session 2: Talking about Money and Fees**

**Alison Lambert BVSc MMRS MRCVS**



## 2. Talking about Money and Fees

The single-most important message for this session is to put yourself in your client's shoes when discussing payment, fees and costs. The vast majority of owners are not trying to get something for nothing and they appreciate that you get what you pay for - most will have chosen your practice because you are caring and skilful rather than because you are cheap. (Onswitch research finds that <10% of owners choose a practice primarily on price alone, and where they do consider money, it is weighed up to consider whether it offers 'value for money' rather than being viewed simply as just the price.)

Sometimes owners are genuinely unable to pay, and we should do everything we can for valued clients to offer assistance at what is undoubtedly a stressful time. Try and take emotion out of the discussion and don't make judgements - if you can offer genuine help at this difficult time, ultimately it will pay back to the practice through positive word of mouth recommendations made by your grateful client.

The trick is to try and avoid these situations by developing ways to help owners budget for the costs of healthcare, and the process will vary depending on whether it is for routine care or unexpected emergency treatment.

### Budgeting for routine care

- Pet Health Plans (PHP)

Many practices now offer some form of payment scheme to cover the costs of routine health care and spread the bills across the year. Usually these will cover recommended vaccinations and all annual flea and worming treatments, along with discounts off a range of products and services (neutering, microchipping etc.) With so many pets lacking continuous and effective protection against viruses and parasites, signing clients up to a PHP ensures both that the animal receives the best care, and also that the practice benefits from regular and guaranteed income upfront.

Aim to sign up a quarter of your active clients to such a plan by discussing the benefits every time you book appointments for procedures that would be covered or take payment for them - "Did you know that if Spot was a member of our PHP, you would get all his worming treatment free?" Feature the PHP on the home page of your website and mention it regularly on your Facebook page, along with examples of cost savings.

### Financing unexpected treatment

- Pet Insurance

Most practices encourage their clients to take out insurance, but it is estimated that only around 15% of cat and dog owners in the UK have it (Association of British Insurers, 2014). Conditions for the pet insurance market are increasingly challenging - the uptake of pet insurance is reported to be declining, whilst the number and size of claims has been increasing. And with ever-more advanced medical care, average payouts have risen faster than average premiums.

Insurance benefits everybody, as owners are able to make decisions based on what's best for their pet, rather than on what they can afford; whilst clinicians are able to offer a full range of treatment options in every case. You can help increase the proportion of clients taking out insurance policies by featuring case studies in your practice newsletter, website and Facebook posts. Many practices shy away from stating the costs of care when this can run into the tens of thousands for complex and ongoing treatment, but in doing they are making the reality even more of a shock if and when the time comes that a pet requires such care.

Owners understand that medical care is expensive, and as there is no NHS for pets they must pay for their pet's care if required. However, many do not appreciate just how expensive it can be, or understand that insurance policies offer a range of cover and benefits. Always encourage your clients to read the small print carefully on any policy they take out, in order to ensure that lifetime cover for a range of conditions is offered.

- Loans / credit schemes / staged payments

Such finance options are already common in equine practice, where the costs of ongoing care or emergency treatment are often proportionately larger than in small animal practice. Helping owners spread the costs of their animal's care is a pragmatic solution for any practice, and one that owners perhaps expect given its frequent appearance in other areas of life; buying cars on hire purchase schemes, taking out store cards, Christmas saving schemes or mail order catalogue accounts etc.

Specialist veterinary finance companies can help manage such schemes, or you may wish to make informal arrangements with individual clients as required.

Some practices do not advertise that they offer such services for fear of this being abused, but in actual fact it is simply another way to prove to clients that you understand the realities of caring for pets and horses and that you want to help. Offering staged payments should always be made at the discretion of a manager depending on the individual circumstances anyway, and so advertising this option won't automatically result in a deluge of clients requesting it.

As with so many areas of veterinary practice and customer care, being open and honest about fees and payments up front will remove most issues before they arise:

- Always make sure your prices are displayed clearly at reception and online, along with any extras, such as home visits or emergency call outs.
- Promote the Practice Health Plan at every opportunity, with leaflets and posters around the practice and visible presence online.
- Encourage clients to take out insurance, explaining that your practice does not benefit financially from this, rather that it allows all options to be considered should the unthinkable happen.

- Make it clear that if clients believe they may have difficulty settling an account, they can speak to any member of the team in confidence, but that it's always best to do this as early as possible.

Next time we'll look at practical tips to help you broach and handle discussions about fees and payment with clients, in order to avoid or dissolve those 'difficult' situations.