

## CREATING & PRESENTING ESTIMATES

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When it comes to client education, words matter. Using a word or phrase that has connotations or associations that you don't intend can undermine your efforts to communicate. Most practice management consultants recommend using the words "Health Care Plan" rather than "estimate." This is so you don't think of a pet the same way you would think of car repairs. We are accustomed to the word estimate, however, and we know what it means, so I am using that word here.

The most basic reason for an estimate is to be honest with your clients and don't surprise them. The client has a right to an accurate estimate, an accurate prognosis, both long and short term, and an accurate idea of the care needs the pet will have once it goes home. Without this information he or she can't make appropriate choices.

Estimates should be given for both medical and surgical procedures. The rule of thumb is, if the patient enters the hospital the owner needs an estimate, but don't forget estimates for X-rays, blood testing and outpatient care, such as a case being treated for vomiting or diarrhea on an outpatient basis. What will it cost today? What will it cost if treatments need to be repeated tomorrow? Even wellness care can add up to a shocking (to the client) total bill when you add in a year's worth of heartworm pills and flea preventative, a senior wellness panel and maybe \$50 of ear cleaner and ointment.

Do not compromise the level of care you are offering due to fear of how the owners will react to the bill. Your job is to tell the client what the patient needs to get better quickly and with the least amount of risk and pain, or to stay healthy in the long run. How will you feel if you were afraid to offer the ECG and the pet dies under anesthesia? How would you want things done if this were your own pet? Ask them if this is the level of care they want for their pet. If it is, help them find a way to pay for it (such as CareCredit or held credit card slips).

Always estimate high. The client will be much happier to pay less than the estimate. Also chances are good you left something off the estimate, you are underestimating the time or skill the procedure will require, or you are discounting something you shouldn't be. For all non-routine surgeries give a range on the consent form the client signs, as well as the itemized estimate with an exact amount. Except for routine shopped services such as spays and neuters, never promise that the itemized estimate will be the total on the invoice!! The pet may need atropine, additional pain medication, an injection for vomiting or additional anesthetic and surgery time. Give a **range** on the consent form that starts with the total on the estimate printout.

For example, if you put in an estimate for a cruciate repair and the total on the computer printout is \$1521.98, you would write on the consent form that the owner signs \$ 1525-2125. Add at least 10-15% to the total for the high end of the range. The more nebulous the procedure the wider the range will be. If applicable, do up a second worst case estimate to use as the high end of the range.

It is human nature to hear only the best-case scenario. Clients will remember the \$100 in the estimate of \$100 to \$150, but they will miss the \$150. Again, write everything down. Record it in the computer, too! It's pretty aggravating when the client says at check-out "But I was told this would only be \$79" – and there's no notation in the record as to who talked to the person or what that team member was actually quoting for. Do you then give the services or products to the

client at that price and forego any profit? Do you charge them the higher amount and perhaps lose the client, who now perceives you were trying to rip them off?

You may need to compromise if the client honestly can't afford all your recommendations. Offer a lower cost option if the client can't afford or doesn't want the best care. If they can't afford the abscess surgery, can they afford antibiotics and two recheck exams?

If the patient will suffer greatly or die without the care you are recommending make sure the owner understands this. In many cases it is better to put a pet to sleep than forego needed care. Do not make the owner feel guilty for not being able to afford care or not being able to do needed aftercare. Some owners have to decide between veterinary care and shoes for their children. Not every cat will hold still for SQ fluids or insulin injections and not every owner can stomach doing these things. It is the owner's right to make decisions about their pet even if it isn't the same decision you would make. That's life. Support the client's decision if you possibly can. That's client service.

If the charges exceed the estimate, call the client immediately. Do not let them discover the bill is higher at check out time. Your receptionist will hate you, other clients will overhear the owner's tirade and you will be to blame if we lose the client.

On the other hand, undercharging the owner to stay within an inaccurate estimate costs the clinic thousands of dollars each year. It simply should not happen. Double check your estimate.

Think carefully about the procedure you are giving the estimate for. Will it be painful? Need a bandage? A drain? A biopsy? Lead to infection? Have you put the pain medication, bandages, drains, histopathology and antibiotics on the estimate?

What about follow up care? Recheck exams and office visits, bandage changes, urine rechecks, splint repairs, pin removals and all other follow up charges must be estimated for as well.

What about ancillary services? If you add a heartworm test and pills to the dental cleaning invoice that may add a large sum to the bill. Does the owner realize that? Vaccinations, nail trims, microchipping, stool checks, ear cleaning and other fees must also be on the owner's estimate of services.

While the animal is in the hospital or under anesthesia is the ideal time to do these extra procedures, however. Don't forget to ask if the abscessed cat can be neutered, if the owner will consent to a dental with that lump removal, or if they'd like the Bordetella vaccination boosted today.

What will make the anesthetic safer? Is this pet old, or a breed prone to cardiomyopathy - how about an ECG? Is the pre-anesthetic chemistry panel enough or should you add a CBC?

Be sure you have cleared any payment agreements with the accounts manager before we get stiffed for the bill. Any client who says "I don't care how much it costs" should be treated with extreme suspicion. This frequently translates as "I don't intend to pay the bill anyway."

When a new client comes in for the first time, be sure the form asks them how they plan to pay the bill. Check the new client form before escorting the client to the exam room. If the payment method is not filled out, ask the client directly how he or she will be paying the bill. The time to find out the client has no money is before the patient is treated, not after.

If a client has been coming to your practice for 5 or 10 years and has never gotten behind on their account, it's less likely he or she will be non-payers. First-time clients or clients who have only been in a few times for minor services should be required to leave a large deposit for services (based on an accurate estimate), before they leave the pet for a workup or surgery. The

majority of nonpaying clients in my hospital are first-time clients. Some non-paying clients have a long history of non-payment or bounced checks elsewhere. A quick internet search sometimes saves you from being the next victim.

It pays to be honest and straightforward. Don't beat around the bush. If the bill is on the high end of an estimate, come right out and say things like, "*Mindy had 12 infected teeth that had to be extracted. This bill is really going to be high. Are you ready for the grand total?*" For optional testing or extra services, ask the client, "*Last year you said you couldn't afford to do this procedure. Are your finances better this year so we can get Buffy tested for feline leukemia?*"

If they say, "Boy, this bill was sure high," come back with something like, "*Yes, and we appreciate the good care you've given your pet to make him better.*"

Your client's comments about price are often not complaints at all. They are just observations, or maybe bragging to other clients in the waiting room about how much money he or she can afford to spend on his or her pet. As long as you acknowledge their comments or concerns and praise them for taking such good care of their pets, most of your clients will keep coming back.

Don't let your own finances influence your recommendations to clients. If you cringe over a \$220 bill because your own checkbook contains only \$189, you come across to the client as being tentative and unsure. The client starts wondering, "Did they overcharge me? Was I stupid to have agreed to this procedure? Was that pre-anesthetic panel really necessary?"

Use effective phrases and confident body language when presenting bills to clients or when offering extra services. Make sure you rehearse lines like, "*This will probably be the only major surgery that Fluffy ever has,*" and "*We need to do pre-anesthetic blood testing to determine if the anesthetic will be safe for Fluffy. Which level of testing do you want for Fluffy today?*" Write your own cue cards, keep them in your pocket, and refer to them at first for selling blood work and puppy and kitten packages.

Sometimes clients want a higher level of care than they can afford — or perhaps they didn't intend to pay you in the first place. For clients who "did not bring the checkbook" or "do not have enough cash," remind them that you accept credit cards. Be firm. Keep saying over and over, "*We need to get a payment today, Mr. Jones*" until they come up with a plan to get you the money. Don't be afraid to repeat yourself!

If the bill has not been paid, do not give the client items such as food or medication (unless a doctor says it's all right) until they return with a payment. You can say, "*We'll hold these items for you until you return.*"

If the actual owner did not bring the pet, ask before taking the client to the exam room whether the owner sent along a check or credit card number. Contact the owner at work if necessary to get one. Unless it is an emergency, you are under no obligation to provide services for a client who made no arrangements for payment. If you don't realize until checkout that this is not the owner, you can ask whoever brought the pet in to fill out and sign the payment form. If they are adults and requested services, they are still responsible for payment.

You have no way of verifying who the legal owner of the pet is or whose responsibility it is to pay the bill. That's their problem to resolve. You just need a payment!

You are in an especially tough pickle if the pet is brought in by a minor. No major procedures should be performed on a pet without an adult's consent. It is also difficult to pursue a minor into collections or small claims court for an unpaid bill. Make sure any minors are aware

of the cost of services and confirm that they have the money to pay for them. Try to contact a parent or guardian by phone if necessary.

Given the stresses clients are often under at the veterinary clinic, it is understandable that clients sometimes come across as difficult, abrasive, or short-tempered when discussing money. Your job in these situations is not to defend yourself, or even to be right. Your job is to make the client feel more at ease with the situation, explain carefully what the costs and payment policies are, and then solve the problem to keep the customer.

Sometimes, discussions about money issues are much easier than anticipated. Most clients understand you have bills to pay, too. They just need to have a clear understanding of what the rules are and what the price will be for your services. As long as your team is straightforward and the options are explained in detail to the client, most people are happy to pay what they owe.

Occasionally, your hospital may treat a patient that everyone agrees deserves more care than its owners can afford. It might be an abandoned dog with a broken leg, a cat that needs surgery owned by a little old lady on social security, or a sick bird whose owner has passed away. Helping these patients get the care they need makes a hospital team feel wonderful. Start a fund to help these sorts of patients, and ask your clients and coworkers to contribute. Find a new home for the pet and donate care. Work out a deal with the local animal shelter or get a grant from AAHA's Helping Pets Fund. Do whatever works for those deserving patients because bending over backwards to help an animal that desperately needs it gives a clinic team the rewarding feeling that is what inspired most of us to enter the field of animal care in the first place. Sometimes you need to recapture the feeling that you are helping to relieve suffering and promoting the bond between people and animals.

## ESTIMATE FOR SURGERY/ANESTHESIA/TREATMENT

All anesthetic procedures and surgeries entail risk. Occasionally, patients can have adverse effects from virtually any procedure. However, the risks of problems from anesthesia are generally much less than the risks of untreated diseases or problems. Diseases present risks as well, of course, so you'll need to understand what's involved in treatment.

The procedure/treatment recommended for your pet is \_\_\_\_\_

This entails \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### Ancillary/supportive/additional items necessary along with the procedure include:

Intravenous fluids via catheter	special diet
Subcutaneous fluids	medications sent home
Blood testing	pain medications
Urine testing	other medications
Pathology samples sent to a laboratory	Elizabethan collar/harness to prevent chewing
Bandages	drains to remove pus or other fluids
Cast/splint	isolation/special cleaning procedures for contagious disease
Urinary catheter	Other _____
Intensive hospital care	_____
Recheck X-rays	_____

Risk assessments are used to help give us an idea of the likelihood of problems from a procedure. We rate risks on a scale of I to V.

**Class I** risk is the lowest. For Class I procedures, the animal is believed to be young and healthy and the surgery is considered to be elective. Spays, neuters, declaws, and dental procedures on young pets are usually Class I.

In **Class II**, the pet is believed to be healthy but the procedure is not elective. Repairing a broken leg on a young dog would be a Class II procedure.

In **Class III**, there are health problems with the pet that make the procedure more risky, but the patient has no obvious signs of illness. Advanced age, heart, or kidney disease, epilepsy or infection are examples of problems that increase the patient's risk to Class III. Dentistries in elderly pets or treating cat bite abscesses are Class III procedures. Any pet for which we do not have pre-anesthetic blood test results is automatically a Class III category or higher.

**Class IV** patients have overt signs of disease. Surgery or medical care is needed to treat a disease or problem but the disease itself has made the animal ill and the procedure or outcome is somewhat risky. Class IV procedures include exploratory surgeries, cancer surgery, surgery to treat severe infections, catheterization to relieve a urinary obstruction, IV fluid therapy for gastrointestinal illness, and many others.

In **Class V**, the pet is gravely ill and needs a procedure or treatment to save its life. The prognosis may be guarded to poor. Without the procedure the pet will very likely die, but the necessary procedure is very risky also, or the treatment may not be successful.

Your pet's procedure is graded \_\_\_\_\_.

The short term prognosis is \_\_\_\_\_.

The long term prognosis assuming the procedure is successful is \_\_\_\_\_.

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The cost for any procedure will vary depending on the health of the pet and the response to treatment. Some animals need more fluids or pain medication than others. Laboratory testing, length of anesthetic and surgery time, and any complications encountered will affect the total price. Medications and food needed upon discharge, and length of stay in the hospital also may vary. Emergencies and after-hours surgeries increase costs.

Our estimate for (pet's name) \_\_\_\_\_  
for this procedure, scheduled/given on (date) \_\_\_\_\_ By (veterinary team member)  
\_\_\_\_\_ is between \$ \_\_\_\_\_ and \$ \_\_\_\_\_.

We will do our best to keep you informed of accumulating charges and any change in the original estimate if problems develop.

\_\_\_\_\_ I will need to arrange a payment plan to pay for this procedure.

(All payment agreements are subject to credit approval by the hospital.)

\_\_\_\_\_ I accept the above estimate and authorize that the listed procedure(s) be performed.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

I refuse the above recommended procedure. (If other alternatives exist, the doctor will go over those with you.)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date