

The Art of the Sliding Scale, Part One: Creating Inclusion

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One of the most powerful tools in the social entrepreneur's toolbox is the sliding scale. Just like a lathe or a hammer, you can use a sliding scale badly and make an ugly mess, or you can use it with skill to create something beautiful. This article is the first of a three-part series on how to use a sliding scale well.

A sliding scale essentially means that patients might pay different fees for the same treatment. It might be based on your patients' income, or on your patients' judgment of what they can afford. In my practice, I use a sliding scale of \$15 to \$35 per treatment, and I ask patients to decide what they feel comfortable paying. To use a sliding scale well, it's absolutely vital to be clear about why you would want to use one at all. Neither guilt about money nor desperation about getting patients is a good reason; what you need is the desire to build a more just and sustainable business, together with a realistic understanding of the economic context in which you are practicing.

Some acupuncturists think that offering a sliding scale means you don't value your own work, that you are not serious about making a living, or that you are suffering from "poverty consciousness." The problem with these assessments is that they lack economic context. The context that's important here is that America is deeply divided in terms of class. Recent estimates suggest a typical American CEO makes 475 times what a factory worker makes. What people are paid increasingly has no relationship to the usefulness of what they actually do. One of the most important jobs imaginable - caring for young children - is typically compensated at \$6 to \$10 an hour, without benefits. A sliding scale is not a form of charity. It's a way of acknowledging that life is not fair, and adjusting your business plan accordingly.

For a business to be successful, it needs to be based in reality, not in wishful thinking. Many economists estimate that two-thirds of the people in any society are going to be working-class. David Schweikart, the author of *After Capitalism*, notes that if we divide the total income of the U.S. into thirds, the wealthiest 10 percent of the population claims one third, the next 30 percent gets another third, and the bottom 60 percent gets the last third. The majority of that 60 percent are probably not going to have insurance that covers acupuncture. It makes no sense to design our fee structure so that we are accessible only to a sliver of the population.

Another common misunderstanding about sliding scales is that patients won't value your treatments unless you charge them the going rate. In reality, someone who is paying me \$15 per treatment of her own money when she earns \$9 an hour teaching preschool actually is making a greater personal commitment to acupuncture, and to my business, than an executive who earns \$80,000 per year, has insurance that will reimburse

acupuncture at \$65 per treatment, and pays me a \$15 co-pay. In fact, the preschool teacher who pays \$15 a treatment is proportionately paying a little more than the executive would, even if he paid \$65 out of pocket.

The function of a sliding scale in the day-to-day operation of your business is not only to broaden your potential patient base by correcting for certain societal inequalities, but also to reduce stress for you and your patients by separating the issues of money and treatment. (This does not mean, however, that a sliding scale is a solution to the all-too-common problem of being afraid or ashamed to talk to patients about payment. We'll get to issues like that in part two.) Again, a successful practice is based on reality, not on wishful thinking. People are complicated, and chronic conditions can be tough to treat. Many patients come to acupuncture when every other modality has failed them, which means you can pretty much count that whatever they have going on is not going to be a cakewalk for you, either. A situation I have encountered repeatedly is that of a patient who has been suffering from chronic pain for months or years, is taking high doses of opiates and desperately wants to get off them. Very few patients could afford to pay for enough acupuncture at the going rate to reach that type of goal, since not only do you need to deal with the pain itself, but also with the inevitable withdrawal symptoms from the opiates. Instead of it becoming a crisis when you realize your patient would need to see you twice a week for six months in order to get off (and stay off) Vicodin, by having a sliding scale, you've already taken that possibility into account, and you are prepared.

[Something important to consider, however, if you are thinking of using a sliding scale, is whether you are on any insurance panels. This could present a problem, because insurance companies don't especially like the idea of patients paying different fees for the same treatment. In fact, if you are using a sliding scale for your patients who pay cash, but billing the insurance company at a fixed rate, they could decide that you are committing insurance fraud. This is one of those instances where you can't have it both ways; you'll probably have to choose between using a sliding scale and having a relationship with insurance companies.] Not relevant to UK practice.

Making such choices also points to an appealing aspect of social entrepreneurship, which is the power to respond to social problems by creating a kind of alternate universe - your own - which operates by different rules. The beauty of owning your own business is that, at least up to a point, you get to build your own world. In the insurance companies' world, there are all kinds of limits and conditions on who can get acupuncture and how much they can get. In my world, there aren't. Health care as a whole is deeply divided along class lines; my practice isn't. The best part of my day is looking around my clinic when it's full of people of all races, classes, backgrounds and ages, all at rest in a rich, shared stillness. Thanks to a sliding scale, I get to spend most of my time in a world where people get the care they need, regardless of how much money they have. And that, all by itself, is valuable to me.