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## **Money and Ethics**

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As the insurance debate heats up, emotions are kindled. As emotions become involved, logical thought goes out the window. Please try to put your emotions aside as you read the following five points regarding financial and ethical considerations in being an insurance provider.

Ponder them carefully, and use them to help form your opinions, rather of rallying to the call of your emotions.

1. The insurance debate is about money -- obtaining more of it. Of course, many people deny this, but bear in mind that whenever someone says, "It's not about the money," it's almost always about the money.

"We could help more people if we could get insurance reimbursement," is the rallying cry to justify monetary cravings. If helping more people is indeed the true desire, offer your services on a donation basis. Then everyone can afford you. You'll have all the people you have the strength to work on. Of course, this is unacceptable to most therapists who seek insurance because, in reality, it is the money they seek. That's fine - there's nothing wrong with getting paid for your services. Massage is a valuable service, and a physically demanding one at that. This limits how many hours a day one can work -- something not understood by insurance companies. You deserve to live a comfortable life. Money is required for that.

Now the question becomes, "Is there more money available to a therapist working for insurance, or working in a cash practice?" Let's do the math on insurance network programs. Let's accept their claim that they will send you 30% more clients if you accept a 25% rate cut, and see what eventually happens.

- You already work 20 hours/week (or month) · You already charge \$50 per session-hour
- You earn \$1,000/week for 20 hours

If you add their 30%, you gain six new clients. If **only** those **new** clients are participants with the "Alternative Care" company plan, here's what happens:

- You work 26 hours/week · You have 20 clients @ \$50/hr and 6 @ \$37.50/hr.
- You earn \$1,225/week (\$255 more a week)

However, if your regular, full-paying clients find out about this "deal" and go with the insurance company, what will happen? Let's say 10% of your clients sign up, so now 40% of your clients (10.4, which I'll round off to 10) are now paying \$37.50. That's  $\$375 + \$800 = \$1,175$ . You should note that you will now be doing six extra massages for \$175 total (\$29.16/hr., not \$37.50/hr.).

As 60% of our clients join the company, our income slowly dissipates as we work more hours.

At 80%:

- 21 clients are each paying \$37.50 hr. - \$787.50/wk.
- The remaining five are paying \$50 hr. - \$250/wk.
- You make \$1,037.50/wk. for 26 hours.

At 100% of clients belonging to the company, which is not unreasonable considering what PTs and DCs do, and how fast the word spreads: 26 clients @ \$37.50/hr = \$975/week.

In other words, you make \$25.00 less than when you "only" had 20 clients. Do six more massages, make \$25 less. Work more for less. That is what insurance plans bring. Note that the insurance networks cap what you can charge. A therapist who now charges \$70/hr. will only get \$35/hr. tops on some plans -- a 50% deduction from regular fees.

2. The next step is that the insurance network will demand you increase your discount or lower your rates. The contracts they send out give them the right to do so. **Read the contracts.** You'll find out that you need to work for even less or lose their members. They have done this to every other profession that has signed on with them.

The above example is for an access plan in which you get paid at the time of service by the patient. If you want third-party payment insurance reimbursement, you get to spend the additional time necessary to file and follow-up on all the paperwork or e-filings. More work, for the same or less pay. Gets better all the

time, doesn't it? What would possess a logical, thinking mind to do this?

3. Cutting your rates for insurance participants is immoral and unethical. Why? Because you charge one rate for an elite group who belong to a plan, and another, higher rate to honest, self-supporting people who are responsible for their own health care. These are the same people who have accepted and supported massage and are the reason for its phenomenal growth. You are punishing and discriminating against people for not being in a plan. Meanwhile, the plan is punishing you for working with their members. Karma is often swift and sure! If you think that you charge too much now, or that lowering your rates will get you more business, just lower your rates.

In other professions, providers/therapists have jacked their rates way up so that, after the insurance discount, they still make what they want/need. Responsible clients/patients are punished so severely that they have no choice but to buy insurance. They cannot afford health care because of insurance. This is by careful, premeditated design.

4. Massage therapy has become popular because it is effective and affordable. The public is running away from the allopathic, insurance-controlled cartel. If insurance gains control of alternative therapies and most therapists are lured into working with/for insurance companies, the price of our services will become inflated, and thus inaccessible to all those not covered by insurance. Access to our services will be controlled by gatekeeper allopathic physicians and insurance bureaucrats. Patients will be able to come in only for specific reasons and for only so many visits. Insurance will make massage less affordable and less available.

Back to the issue of helping more people. Helping more people now is not possible, because those people have made choices that prevent them from affording our services at the prices we want to charge. Soon we will not be able to help patients because the gatekeeper sends them to a PT or limits the number of appointments they can have. A plan or physician could allow only eight massage therapy visits a year, even for chronic conditions, like fibromyalgia. Worse yet, with insurance driving up prices, few people will be able to afford massage out-of-pocket. This has happened to every other profession, and it will happen eventually with massage.

5. The long-term affect of accepting insurance will be less access to patients; limited visits and lower income per patient; and possibly lower income period, as has happened to most other providers.

If you do not have enough patients now, insurance may look like a way to get ahead fast. It may even look like a way to reach new patient populations -- to help those who choose not to afford massage. "80% of something is better than 100% of nothing" makes insurance cases sound tempting initially. The reasons most therapists have low patient loads is they do not have adequate therapeutic, personal and/or promotional skills.

Invest in acquiring better skills, rather than in learning how to play the insurance game. Skilled therapists become very busy no matter where they live. More people in stress and pain are looking for help than we can ever serve. Acquire the skills to help them and you will never need or desire to subject yourself or your patients to the abuses of insurance.

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Click [here](#) for more information about Ralph Stephens, BS, LMT, NCTMB.



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