## **SMA GUIDELINES ON FEES IN CLINICS**

(Source: "The Medical Profession and Pharmaceuticals", SMA publication 1998)

# **Summary of Principles**

The total charge for a visit to the clinic may be broken down in several ways. The commonest practice is to separate the charge for the medicines dispensed at the clinic (i.e. the "Medicine Charge") from the remainder of the bill (which is then commonly called the "Consultation Fee"). When such an itemization is offered, the SMA recommends that the Medicine Charge should be comparable to the cost of filling the same prescription at a pharmacy. Should this "pharmacy price" not be available, other acceptable options are suggested in "SMA Guideline on Medicine Fee".

The nett result is that the Consultation Fee covers the Professional Fees plus the Practice Cost. This is consistent with the present recommendations in the SMA's Guideline on Fees, and has the full support of the SMA.

Below is an example showing 3 different ways of assigning the three cost components of a Visit Charge (i.e. practice cost, cost of medicine, and professional fees) in a two-component bill (i.e. Consultation Fee and Medicine Charge).

Table 1 - Different methods to assigning the 3 components of the total visit fee to a 2-component visit bill (of Consultation Fee and Medicine Charge only).\*

Components (Mean costs*)	Method A	Method Z	One Suggested Method
Professional Fees (PF) (\$9.23)	Consultation Fee = \$19.04	Consultation Fee = \$9.23 (PF alone)	Consultation Fee = \$17.71
Practice Cost (PC) (\$9.81)	(PF+PC less CM)	Medicine Charge	(PF+PC less calculated Medicine Charge)
(4.101)		= \$16.44	Medicine Charge
Cost of Medicine (CM) (\$6.63)	Medicine Charge = \$6.63 (CM only)	(PC+CM)	= \$7.96 (calculated as recommended by SMA guidelines)
Total Visit Charge (\$25.67)	\$25.67	\$25.67	\$25.67

<sup>\*</sup> The mean practice cost, cost of medicine, and the doctor's Professional Fees quoted in this example, are those of GPs practising in HDB estates in July 1995. (Source: SMA 1996 Survey of Housing Estate Practice Costs & GP Fees, Singapore (SMJ 1997: Vol 38(5):192-199)). These figures were also published in the Minutes of Evidence, Report of the Select Committee on Verification of Health Care Subsidy of Government Polyclinics & Public Hospitals, Eighth Parliament of Singapore, Second Session, page C106.

### **SMA Guideline on Consultation Fees**

	General Practitioner	Specialist
	/Family Physician	
(A) In-Office Consultation Fees:		
Short Consultation	\$18 to \$26	\$45 to \$85
Long Consultation	\$25 to \$55	\$70 to \$130
Extended Consultation (per 15-minute block)	\$20 to \$25	\$40 to \$50
(B) Out-of-Office Consultation Fees:		
Non-Emergency Consultation	\$100 to \$150	\$150 to \$200
Emergency Consultation	\$150 to \$200	\$200 to \$300
Hospital Inpatient Consultation (per day)	\$50 to \$100	\$100 to \$200

#### **SMA Guideline on Medicine Fee**

- a. The "price of medicine to the patient should be comparable to what he would have to pay, if he were to choose the prescription at a pharmacy instead."
- b. Prices comparable to those charged at a pharmacy are an acceptable upper limit.
  When this is not known, the following are some suggested acceptable alternatives.
- 1) When the price of the medicine is listed in a drug index such as DIMS, the list price of the single-user pack size can be used.
- 2) When the above is not available, the list price quoted by the manufacturer or the distributor can be used. When this list price is not available, up to 1.25 times the nett price for the single-user pack size is acceptable.
- 3) Where neither the list nor nett prices of the single-user pack size is available (e.g. bulk-packed medicine), up to twice the per-unit cost of bulk-packed medicine is acceptable.
- 4) For very low-cost medicine, a rounding up to 10 cents per tablet/ capsule, \$1.50 per 5g of cream, or \$1.50 per 30 ml of mixture, is acceptable. Alternatively, a rounded-up charge of \$2 per each medicine dispensed, for up to a week, is acceptable.
- c. "The patient retains the right to choose whether to fill the prescription in the clinic, or externally at a pharmacy."

## SMA Guideline on Prescription Fees

Under ordinary circumstances, prescribing is part of the in-clinic consultation, and no separate prescription fee should be charged. This is even if the patient requests during the consultation that the medicine be dispensed outside the clinic.

However, a prescription fee may be appropriate when the patient is not physically present for a formal consultation and examination, as a professional review of his medical records before prescribing medicine is appropriate. One example may be when a relative requests repeat medicine for a stable homebound patient of the doctor. Another is when clinical or laboratory data needs to be reviewed before a repeat prescription. In such cases, a prescription fee of up to \$10 for up to a month's supply of medicine is acceptable, provided the usual consultation fee is not charged.