



WHY IT MATTERS

For patients to be able to make an informed decision related to seeking and receiving healthcare, accurate and understandable information related to the charges and costs for consultations and treatment must be presented to patients by their health practitioner (usually before such health services are rendered).

To protect both patients and healthcare practitioners, the HPCSA released Booklet 19 which outlines doctors' obligations in terms of their billing practices and defines the standards against which the Council adjudicates their professional conduct in this regard.

WHAT YOU NEED TO KNOW

Healthcare practitioners are expected to follow ethical billing practices that prioritise transparency, fairness, and patient understanding.

Before providing any treatment, practitioners must inform patients of the fee (also referred to as **charge** in Booklet 19) — which is the total cost set for a professional service before any discounts or deductions. They must also inform patients if there are other costs incurred by the practice in the provision of this service and for which the patient will be billed, e.g. medication. It's important that patients know the full amount upfront, even if they are covered by medical aid or other insurance.

Practitioners should explain their own fee structure and advise patients to check with their medical aid or insurer regarding what is covered and whether a co-payment will apply. A co-payment is a fixed amount that the patient must pay out-of-pocket for the healthcare service, separate from what is covered by the scheme and any additional insurance. This ensures the patient is not caught off guard by unexpected personal expenses.

In many practices, services are billed using a **fee-for-service** model. This means the practitioner is paid a set fee for each individual service provided, rather than a bundled fee for overall care. Consent to an overall cost estimate is sufficient, provided the patient is informed in advance of the likely costs and any additional charges are explained where applicable.

Alternatively, some practices may use a **global fee** model. A global fee is a fixed payment covering a group of services over a specific period, regardless of how many times those services are actually provided. If this approach is used, practitioners must explain what is included in the global fee and under what circumstances additional fees may arise.



One practice that is specifically prohibited is **split billing**. This occurs when a practitioner sends separate invoices to the patient and the medical scheme, each showing only part of the total fee, often without transparency. For example, the invoice sent to the scheme may exclude the patient's share, and vice versa. This practice is considered unethical because it misrepresents the total cost of care and can confuse or mislead both parties.

To ensure ethical compliance, **informed financial consent** is crucial. This is the process of ensuring that patients fully understand and agree to the costs of their care before the service is provided. Informed financial consent should be documented in writing, and include the estimated fees, billed by the practice in terms of professional charges and any other items provided, like medication or devices. In addition, patients should be informed that if on a medical scheme, potential co-payments may apply, with details available from their scheme. They should furthermore be made aware that additional costs may apply in the provision of their care due to, for example, laboratory or radiological investigations, hospital admission and/or the services provided by other practitioners like anaesthetists and physiotherapists, with cost details available from the various service providers. Informed financial consent not only protects the practitioner legally but also empowers patients to make informed decisions about their care.

Non-Payment of Fees

- If a patient refuses your fee structure, you may refer them to another provider.
- You may not withhold care results due to non-payment, but you can use debt collection services.

Emergency Situations

- You must provide necessary care in emergencies, regardless of payment discussions.
- Discuss financial implications with the patient or their guardian as soon as practical.
- You are still entitled to collect fees for emergency care provided.

Payment Plans

- You may offer a payment plan if the patient gives written consent.
- Interest cannot be charged on outstanding debt.
- Make reasonable attempts to engage before handing over the account to debt collectors.

Billing Codes

- Practitioners should make reasonable efforts to apply appropriate codes, recognising that current coding systems are imperfect and not always aligned with clinical practice.
- If a code doesn't exist, use one that best includes the service provided.



Invoices

- All invoices must be itemised, in writing, and include contact details, costs, and due dates.
- Quotations and invoices can serve as written informed financial consent.
- Split billing is not an acceptable practice, but balance billing (full disclosure of total fees) is acceptable.
- Providing a clear written financial statement is part of good professional practice.

Advance payment

- Advance payments may only be requested in specific situations as outlined in Booklet 19 (e.g., co-payments, foreign patients, prostheses), with an accompanying explanation for the request, where relevant.
- No clear guidance is provided in Booklet 19 on advance payment by South African patients not on a medical scheme.
- This requires clarification by the HPCSA, especially noting the significant financial risks potential non-payment (e.g. by those who elect to self-insure or self-fund care like cosmetic surgery) can pose to the viability of a practice.

CHECKLIST

- Have a clear, documented billing policy in place.
- Clearly communicate your fees and costs before providing services.
- Obtain signed informed financial consent before health services are rendered.
- Statements must include itemized costs and be provided promptly to patients.
- Keep detailed records of services rendered and billing communication.
- Inform patients of additional costs (e.g., labs, theatre fees).
- Whilst you are free to set your professional rates, you should be able to justify these in terms of practice costs and required skill and time required to provide the care.
- Avoid excessive or unjustified charges that are not clearly disclosed to patients or supported by the time, complexity, or clinical necessity of the service provided.
- Ensure emergency patient care is not delayed due to financial reasons, but you can bill emergency cases appropriately afterward.
- Do not withhold treatment outcomes due to non-payment but you can pursue legal debt collection.
- Where necessary, offer payment plans but do so in writing.
- Review your billing practices regularly against Booklet 19.



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