

## Enforcing a Cancellation Policy in Private Practice

Welcome to the SLP Happy Hour Podcast. I'm Sarah an SLP in private practice. I also own the SLP Happy Hour store on [teacherspayteachers.com](https://www.teacherspayteachers.com) where you will find helpful resources on gestalt language and apraxia. I am also a speaker on burnout or apraxia, and I'd love to come speak at your workplace. And if you like today's topic - cancel policies for private practice - consider booking a coaching session with me where I answer any questions you have about starting a private practice. All that information is at [slphappyhour.com](https://slphappyhour.com)

If you enjoy the podcast, and want to connect with me, including monthly or so emails with lesson ideas, sign up at [www.slphappyhour.com/newsletter](https://www.slphappyhour.com/newsletter)

All links for this episode will be at [www.slphappyhour.com/show-notes](https://www.slphappyhour.com/show-notes)

Lately, I've been asking SLPs who own their own clinics - what is the hardest part of private practice for you?

The answer isn't therapy techniques, insurance billing, or navigating business expenses - it's boundaries, and in particular enforcing a cancellation policy. And I agree - having boundaries in general has been challenging as a solo practice, here are some I've had to enforce lately:

- Payment is due at the time of service, or I can't see you
- I do not offer free sessions, free screenings or free consults
- I do not offer free attendance at IEP meetings
- I do not offer sessions after 5pm (to new clients) - a bit on this, right now I work until 6pm half the days, and until 5pm half the days. Once my 5pm-6pm students graduate, my plan is to no longer offer those spots.
- I do not offer sessions on Saturdays (lots of families ask)

The boundary I enforce the most often is my cancellation policy. Right now, all my clients have been respectful of this, but as I onboard new clients who start to work with me, I really do have to train them in what to expect from a cancellation policy. For reference, I'm a solo private practitioner. The issues I am discussing today may be complicated if you work for or own a larger clinic, or if many of your insurance plans have rules that don't allow you to charge no-show or cancellation fees. So I'll share what I've learned, but take what's helpful and leave the rest as it works (or doesn't work) for your particular situation.

When I talk to other clinic owners about their policies, they mention to me their concerns with cancellation policies: not every insurance will allow you to even charge them (true), it can harm relationships with parents (my opinion on this is you can do it in a reasonable way and if others have an unreasonable reaction, it was probably not about the policy), and that if you work in a clinic where other SLPs don't enforce the cancel policy, you come out as the "bad guy" (I agree here, and would like to see SLPs band together and agree to enforce these policies).

So here are the basics of my policy, and how I run things. I need 48 hours notice (or more) for planned vacations, school events, and other obligations you know about ahead of time. I need 24 hours notice for sickness whenever possible. So, you can probably already see that there is room for movement here - people can cancel the same day in cases of sudden illness or a family emergency, no charge. Could people lie and say their kid just got sick? Sure, but I choose to believe they can give me notice when they can, and I feel confident about that for my current caseload (that hasn't always been the case).

I directly let parents know if they no-show or late cancel, I can't pay my expenses or pay myself. When I started my clinic, I was told by other SLPs not to do this. I was told to always make it about the kid and their progress and to say something like: "In order for your child to make meaningful progress, I need them to be coming weekly," but I've found this doesn't actually motivate parents.

So, I am honest and direct. I say something like this:

"When you book a session, I count on that income so that I can pay myself. When you cancel with less than 24 hours notice, I can't pay myself. And when enough families do that, I get to a point where I can't pay my bills or pay myself my salary. So I will be enforcing my cancel policy, because I have to - because I want this business to be around in five years so that I can continue to support children in developing communication."

Is this too honest? I truly don't think so. This helps parents understand I'm not being mean, I'm being practical. I don't say this every time they cancel, but I let parents know about this when they start to work with me.

### **So - how do you enforce a cancel policy?**

First - have it written and give it to all clients as soon as they start to work with you, explain what it is and why, and provide it to them in writing. In my intake documents, all clients sign my cancellation policy. Secondly, my cancellation policy is on my website,

so if you go to my regular url for my clinic backlash cancel, you see the policy. That way I a) email it to families when they start working with me b) email it to families when they cancel so they can review it. This has saved me time retyping it out within email copy and it has saved me bandwidth of repeating the policy.

So, let's walk through the process - a family cancels with less than 24 hours notice for illness. I ask parents to cancel via email as my system. This is so that I can send them my cancel policy document as a response. So for example, for the first cancelation (let's say it's a same-day cancel), I'll say:

Thank you for letting me know! I understand illness comes on suddenly sometimes, if you ever know the day or night before, go ahead and send me an email then so I have the chance to fill the spot.

As a reminder the cancel policy is at (link) - and then I link to the policy.

Let's walk through the policy for another scenario - a family says "we are leaving today for a weeklong vacation, Billy will miss his session today." I respond:

That sounds like a lovely trip. You will be charged \$45 for a late cancellation, as per the agreed upon cancelation policy. You can review the policy you agreed to here (link). I'll see you next week.

Are we allowed to charge a no-show or cancellation fee for all clients? No. For example, in my state (Oregon), it's unclear to me if I can charge a cancellation fee, and I've heard so much conflicting information that I just don't. I've also heard of other private insurance plans that in their contracts say you can't charge a cancellation fee - but I can charge the fee for the insurance plans I see. So yes, for a portion of my caseload I cannot charge this fee. If you need to check for insurance plans you are in network for, you can call them or review your signed agreement with them.

So - what about if you have a family who cancels with late notice a second time? To review, the first time I've responded with a nice email, and I've charged them. The second time this happens, I just run the card on file for the cancellation fee. I don't remind them - they've been reminded twice now - once at intake, once for their last late cancellation, so I run the card. If they ask about the charge later, I can remind them of the two times we've already discussed this and that that's what will happen for late cancellations. I think an important part of this is when people cancel, you are sending them the policy link to remind them, so they are getting lots of reminders.

What about a late cancellation a third time? I charge the card per my policy and notify them if they have 1 more late cancellation, I will place them back on the waiting list - or I

have a discussion with them about taking a break from services. Thankfully, it rarely gets this far, but it does happen once or twice per year. I've also referred these clients to other clinics (and yes, I've let the other SLPs know about the late cancels, and yes - the other SLPs have still wanted to take on these clients).

How does this look in practical application when kids tend to pick up lots of bugs? I do understand kids get sick. I understand kids get sick unexpectedly. So for most cancels, I'm not charging the late fee because it's something that parents didn't know about (i.e. the school calls and the child threw up at school or on the car ride to speech).

I plan for there to be canceled sessions. Because of this, I overbook myself by my cancel rate. So if my rate is 15-20% of sessions canceled, I'll overbook my schedule by 15-20%. For me this means adding about 6 sessions per week to my minimum number I need to be seeing so that I can pay myself, that's for me carrying a full-time caseload. If you are part time a percentage of a smaller number would of course be fewer students. I cannot guarantee your cancel rate will be what mine is, so start taking data now of how many cancellations you have per week on average - you'll be glad you did so that you can adjust your schedule to account for that.

*What about summer cancellations?* Families going on vacation and kids at camp means that if I don't plan ahead, summer can be a dry season for my business. This can cause financial stress that I like to avoid. So, I do a few things to address this. First, I find out early about families' vacation plans (I ask in late Spring). Once I know more, if clients are going to miss more than 3-4 weeks of summer, I ask them to take the summer off so I can fill that spot with someone temporarily on the waiting list. I do hold that spot for them - meaning they can return to the same day and time when the school year resumes. I then do an evaluation from my waiting list and put someone else in that spot for the summer, or offer it to a family who comes once a week and could benefit from twice weekly spots during the summer.

*What about kids who are sick a lot?* This is an individual decision. I'm going to be honest - I need to be better at tracking attendance so that I can have a policy about this and actually follow up on it.

What I've heard from other private practices is that they track how many sessions a child misses, and they have a rule such as that a client needs to come for an average of 3 of 4 sessions for 3 months or that they need to be coming to 6 out of 8 sessions. Because looking at the monthly calendar may be easier for me to track (i.e. if a student comes weekly they would have 4 sessions most months so they can't miss more than one - and if they do over past months too, we need to have a discussion).

So that's it for today. I hope this episode was helpful as we discussed:

- The cancel policy at my clinic
- What to do about scheduling in the summer - when there are typically tons of cancels
- What to do about people who are giving you 24 hrs notice but still cancel a lot
- How to determine if you even CAN charge a cancel fee
- Practical examples of how to enforce the policy

## **Outro**

Thank you for listening to this episode of the SLP Happy Hour Podcast, I hope you enjoyed the show and learned something new as we discussed implementing a cancellation policy in private practice. I hope this episode was a little slice of an SLP Happy Hour for you, until next time.