

Paid By The Hour

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Traditional veterinary medical practice is changing very quickly. Much less emphasis is placed on the sick cow call today compared to when I began practice 15 years ago. The old style “brown arm” herd health programs are rapidly evolving into production medicine programs that stress many additional areas of dairy and beef management. Of all the ingredients of successful production medicine programs the two most important are enthusiasm and profit.

Without enthusiasm and profit neither the producer nor the veterinarian will be successful in either “adopting” or “selling” the total production medicine concept. I feel one of the strongest reasons why more practices are not becoming more involved with production programs is the inability to get paid for their advice and experience. As practices develop more nontraditional areas of veterinary practice, it soon becomes apparent that these new programs require more time input by the practitioner. Traditional per head or per procedure charges often result in either the producer or the veterinarian losing the enthusiasm that is so critical to the development of production medicine programs.

The best solution, as I see it, is to adopt a fee system based on an hourly rate. If you have traditionally charged on a per head basis this will require some client education on your part. I have started several clients on basic reproductive programs by doing some arithmetic with them.

To put it simply, for the normal reproductive program the producer will come out ahead if you adopt an hourly rate rather than a per head charge in many cases. If the producer feels that by having his records in order and being prepared for herd check will cost him less money, we certainly have some positive enthusiasm for our program. Once an hourly rate becomes established in a practice, it facilitates the expansion of production medicine programs into many different areas of farm management. Client education efforts should be aimed at demonstrating how the producer can realize more profit by investing his dollars with you.

Today’s clients are accustomed to being charged by most service people on an hourly rate. I feel it is important to discuss the actual rates with the producer. Be sure he understands how the time will be charged. I use a variable rate schedule that itemizes charges with separate fees for travel, on farm time, record analysis, and report preparation. Remember, that a failure in preliminary communication about charges will destroy the critical enthusiasm quicker than you can imagine.

Several years ago I had the opportunity to take the AABP Quality Milk Seminar and I clearly remember a piece of advice that Dr. Jim Jarrett gave us. “Don’t be afraid to charge a fair fee, but always remember to give them a little more than they paid for.”