

# BSAVA explainer on veterinary costs

Clients may not always be aware of the costs that are factored into their veterinary fee, so BSAVA has put together a simple 'explainer' that veterinary staff in practice can use to help clients understand some of the basics about the costs involved in running a veterinary practice. Also included are some suggestions on how clients can help to manage the cost of veterinary care for their pet.

Simply put, there is no NHS for pets and no government support for veterinary practices as there is in the field of human medicine in the UK. Veterinary business owners need to ensure their business remains viable if they are to continue to serve their clients and pets alike. This means that fees take into consideration a myriad of costs depending on the scenario.

For most veterinary practices, running their business is similar to running a small hospital along with branch practices, the provision of out of hours services and home visits. It is a complex business operation and needs to take into consideration a range of elements. In brief, these include:

- Costs incurred by practice premises – rent, mortgage, maintenance, utility and service bills.
- Fitting out and maintaining consulting rooms, operating theatres, pharmacies, waste disposal areas and accommodation facilities for staff and pets – including facilities for pets who have particular needs e.g. isolation facilities, temperature requirements or intensive care.
- Ensuring a fit-for-purpose IT system that keeps pace with technology and maintains connectivity with a network of national systems.
- Provision and maintenance of medical equipment including replacement with updated equipment that keeps pace with medical advances.
- Diagnostic equipment and rooms – laboratory facilities, ultrasound, X-ray, MRI.
- Staffing costs:
  - Salaries including national insurance and pension contributions, holiday leave and maternity or paternity leave including temporary cover to maintain services
  - Staff uniforms, protective garments and equipment
  - Professional and indemnity fees, CPD and development of staff and provision of out-of-hours services.
- Costs associated with compliance with legislation and industry guidance covering veterinary surgeons, procedures, medicines, health and safety, local authority requirements, employment, data protection (GDPR), and sustainability to name but a few.
- Ensuring adequate funds to cover unexpected costs associated with maintaining or repairing the practice facilities or expanding the practice to extend their services.
- Certification and referral services – export or travel certificates for pets, referral letters, set-up of new or transferred clients.
- Provision of external services such as home visits including vehicles and support services.
- Pro bono and charity work including discounted work to support charities, and also managing strays, wildlife, abandoned pets or injured animals without an identified owner.
- Referral practices will need to consider many of the above and in addition need to ensure they have a range of specialist equipment specific to the services offered.

Although the above is a brief outline, it should serve to illustrate that vets run complex businesses, and that taking veterinary costs at face value belies what is truly involved.

External factors also have an impact on veterinary businesses – these include VAT, legislation, product supply chains and availability of staff. Post-Brexit, the shortage of vets has created added pressures for practices with increased competition for a limited supply resulting in reduced capacity, yet the need to maintain services and support the health and welfare of the nation's pets still remains. Veterinary salaries have remained relatively consistent across the sector but it remains the case that newly qualified vets may have the added burden of leaving university after a 5-6 year course heavily in debt.

Brexit also means certification is required each time a pet travels abroad. This involves health checks, vaccination, blood tests, wormers, completion of legal documents – unique for every country a pet travels to. All this takes veterinary time and additional training including time to keep abreast of Government updates.

## How clients can manage the cost of veterinary care

Whilst veterinary costs needed to run a practice are affected by a range of factors, clients can endeavour to manage their own veterinary care costs for their pets in a number of ways.

### Preventative care

Preventative care can protect your pet's health and can also help you manage veterinary costs by minimising infections and spotting health issues before they have developed into conditions that are costly to resolve. Many practices offer routine health care including vaccinations, parasitic treatments, weight clinics and dental checks.

### Insurance

Unless eligible for support by animal welfare charities, most pet owners will be providing private health care for their pets. Pet insurance policies can help spread related costs over a period of time and also minimise costs of diagnostics and treatment whether due to infections, medical conditions or accidents, all of which can result in unexpected veterinary bills. There are various options available and clients should consider which best fits their needs and their financial situation.

### Choosing the right pet for you

- Some breeds may come with higher insurance premiums as they may be prone to certain health conditions and so can incur higher costs. It is advisable that potential owners research thoroughly before committing to buying a pet. There is still no guarantee that a pet won't develop health problems, but choosing a pet with potential health conditions in mind can help to manage costs of pet care.
- The day-to-day care needs of the pet are also of relevance, with some species having more specific needs than others. Owners should ensure they can maintain their pet's health on a daily basis.
- It is also worth bearing in mind that while some owners can spend thousands of pounds on purchasing a pet, this is only the start of a lifetime journey which owners need to be aware of from the onset – a pet becoming part of the family is usually a choice and with it comes responsibility and long-term commitment.

### Speak to your vet

It should be remembered that vets, as members of the RCVS, commit to do their best to support the health and welfare of a pet. Having a conversation with your vet on the best routine care for your pet, and discussing treatment options and costs should your pet become ill, should help owners make informed decisions about their pet's health. Aiming to have good lines of communication is an excellent starting point when establishing not just a sound foundation for a pet's veterinary care but also, in forming a good working relationship with your veterinary practice.