

LETTER OF TERMINATION TO CLIENT FOR NONPAYMENT

Note to therapist:

Collecting overdue client fees can be a difficult issue for many therapists, and problems are best avoided by giving clients clear policies and procedures in writing at the first session.

Many therapists collect the fee or co-payment at each session. Some therapists choose to have billing done by an outside service. Still other therapists request that clients make payments on a website.

Whatever your preference, you should make it clear from the start of therapy that your client is responsible for any and all fees for the services you render. Your policy should also reflect your procedures for collecting overdue payments.

You should check with your professional association to see if there are additional guidelines for collecting fees. In most cases, therapists are expected to:

- Address the issue of nonpayment in session and document these conversations.
- Suggest appropriate ways for clients to fulfill their financial obligation.
- Make referrals for more affordable therapy, if clients state they cannot pay your fees, and then document these referrals.
- Terminate clients only if they refuse to take responsibility in working to resolve this issue. (The only exception to this type of termination would be if a client is a danger to self or others.)

You may find that although you have asked for payment and discussed this issue with the client, no payment is forthcoming. In the case of termination due to nonpayment of fees, a letter would be appropriate to document what has happened and to offer the client options for resolving this issue.

The following termination letter is meant to be a guide only. Please modify it to suit your own policies and practices.

Date: _____

Dear _____ (*client name*)

As we have discussed, you have a balance of \$_____, which has been overdue for more than _____ days. As my policy states, payment was due _____ (*date*). You agreed to follow the payment policy, which is attached to this letter.

Unfortunately I will not be able to continue therapy until the balance has been paid. After the balance is paid, and if we mutually decide it would be worthwhile to continue therapy, payment will be due at each session.

If you decide to terminate your therapy with me at this time, payment for the \$ _____ balance due should be made immediately by check or money order and sent to the following address:

Alternatively, you can make a payment on my website: _____.

I appreciate your immediate attention to this matter. Failure to meet your financial obligations will result in my turning the collection of this amount over to _____ (*name of collection agency or accounting office*) for collections.

As you know, my first obligation is to help you with the problems you identified when you sought therapy. I will do my best to continue addressing your needs once your financial obligation is met.

Sincerely yours,

(*Therapist signature*)

(*Therapist name*)