

## Option A: 5% Fee Guide Adjustment – Rationale

### Purpose

BCND is asking members<sup>1</sup> to vote on one of two possible adjustments to the clinical and non-clinical fee guides for 2026: a 5% increase or an 8% increase.

Both options reflect documented increases in clinic operating costs affecting naturopathic practices across British Columbia. Presenting two options allows members to determine how the fee guide should respond to these economic pressures.

This document explains the rationale for the 5% option, including the key economic factors affecting clinics and the cost data used in the analysis. Members will also receive the full briefing note describing the development of the fee guide, the underlying costing methodology, and the broader economic context.

Separate short summaries are provided for each option so members can review the rationale for each adjustment when making their decision.

The goal of this document is to provide focused context to help members understand the rationale for the 5% option as they consider both options.

### About the fee guide

The BCND fee guide is grounded in real clinic economics and was developed using clinic financial data, member surveys, and analysis of the operating costs required to deliver naturopathic care. The full briefing note provided to members explains the development of the fee guide, the costing methodology used, and the broader economic context affecting clinics across British Columbia. This document focuses specifically on the rationale for the option presented here.

### Current economic pressures affecting clinics

Naturopathic clinics across British Columbia are experiencing rising operating costs across several areas.

Consumer prices have increased significantly in recent years. According to Statistics Canada, the Consumer Price Index increased approximately:

2023 – about 3.9%

2024 – about 2.4%

2025 – about 2.1%

Overall, consumer prices have risen approximately 19.9% over the past five years. These increases affect rent, utilities, supplies, transportation, and nearly every input required to operate a clinic.

Staffing costs have also increased. BC minimum wage rose from \$17.40 in 2024 to \$18.25 in 2026, an increase of about 4.9% over two years. Administrative wages generally follow labour market conditions rather than CPI, and staff costs typically represent 25–40% of clinic overhead.

Regulatory costs are also rising. Professional renewal fees increased from approximately \$2,090 to \$2,645, with a further increase to about \$3,200 planned. Spread across a typical practice, this represents roughly \$0.30–\$1.20 per visit, depending on clinic size.

Clinics also face rising costs for supplies used in practice. Naturopathic clinics rely heavily on imported materials such as supplements, botanicals, injectable nutrients, IV supplies, packaging, and equipment components. Global supply chain pressures and transportation costs have increased the price of many of these inputs.

Operational infrastructure costs are also increasing. Clinics report rising expenses for electronic medical record systems, privacy compliance, secure communications, payment processing, and cybersecurity requirements.

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<sup>1</sup> “Members” in this document refers to eligible voting members under BCND bylaws.

### Estimated increase in clinic operating costs

When these cost drivers are considered together, current analysis suggests that clinic operating costs across British Columbia have increased approximately:

Inflation: about 2–3%

Wage pressure: about 1–2%

Regulatory fees: about 0.5–1.5%

Supplies and supply-chain costs: about 1–2%

Software, compliance, and other overhead: about 0.5–1.5%

Estimated total increase in clinic operating costs: approximately 5–8 percent. Members are therefore being asked to determine how the fee guide should respond to these documented changes in clinic operating costs.

### What the 5% option reflects

The 5% option reflects the cost pressures that are most clearly measurable across clinics, including inflation, wage growth, and part of the increase in regulatory costs.

A 5% adjustment maintains alignment between the fee guide and rising clinic operating costs while recognizing that practices across the province operate under different economic conditions.

### Regional realities across British Columbia

Naturopathic clinics operate in diverse practice environments across the province.

Lower Mainland clinics often face higher rent and strong competition for administrative staff.

Vancouver Island clinics report rising space costs and staffing shortages.

Interior clinics may experience lower rent but lower patient density.

Northern clinics often face recruitment challenges, travel costs, and smaller patient bases.

Because many clinic expenses are fixed overhead costs, increases in operating costs affect the per-visit cost of care across all regions of British Columbia.

### Ongoing review of clinic costing

BCND has begun a broader update of the clinic costing analysis that underpins the fee guide. This work involves collecting updated financial information from clinics across the Lower Mainland, Vancouver Island, the Interior, and Northern British Columbia and reviewing different practice models across the province.

Because that work is still underway, the options presented this year are based on cost increases that are already clearly documented.

A more detailed costing analysis will inform future fee guide updates once the broader review is complete.

### Summary

Members are being asked to choose between a 5% or an 8% adjustment to the BCND fee guide.

The 5% option reflects the most clearly measurable increases in clinic operating costs currently affecting naturopathic practices across British Columbia.