



CHARGEBACK AND DISPUTES

Chargeback Monitoring Program

Updated: March 2025

Introduction

This guide is designed to provide information about Tebra's Chargeback Monitoring Program, chargebacks, how to dispute chargebacks, and recommendations to prevent chargebacks.

Table of Contents

Tebra Chargeback Monitoring Program 4

 Consequences of High Chargeback Ratio 5

Chargebacks 6

 Understanding Chargebacks..... 6

 Common Reasons for Chargebacks..... 7

 Common Consequences of Chargebacks 8

 Chargeback Process Overview 9

 Chargeback Notification 11

Dispute Chargebacks..... 12

 Dispute Documentation 12

 Bank Decision..... 13

Preventing Chargebacks..... 14

 Forms and Policies 14

 Credit Card Authorization Form 15

 Consent to Treatment Form..... 15

 Cancellation/No Show Policy 15


 No Refund/Return Policy..... 15

Additional Assistance 16

Tebra Chargeback Monitoring Program

Tebra's Chargeback Monitoring Program is designed to monitor and address chargeback activities to ensure compliance with card network regulations and mitigate the potential risks of Tebra customers being placed on the card brands' chargeback programs. Customers must maintain a chargeback ratio below 0.7% each month. Exceeding this threshold will put the practice on Tebra's Chargeback Monitoring Program. Being part of this program means that the practice's chargeback activity will be closely monitored. If the chargeback levels remain elevated, further penalties may apply. Therefore, it is essential to address the root causes of these chargebacks as soon as possible.

Proactive steps must be taken to resolve disputes, minimize chargebacks, and improve the practice's chargeback ratio. The following are required to exit the program:

1. Acknowledge the practice's enrollment in the Chargeback Monitoring Program by replying to the *Enrollment in Chargeback Monitoring Program* email within 15 business days.
2. Submit an action plan detailing the steps that will be taken to reduce chargebacks within 15 business days of receiving the *Enrollment in Chargeback Monitoring Program* email. Review the [Preventing Chargebacks](#) section for best practices.
3. Maintain a chargeback ratio below 0.7% per month for three consecutive months.
 Important Note: If the practice's chargeback ratio continues to exceed the 0.7% threshold, it could lead to higher processing fees or the deactivation of Tebra Payments. Review the [Consequences of High Chargeback Ratio](#) section for more information.

Consequences of High Chargeback Ratio

If the practice’s chargeback ratio continues to stay above 0.7%, higher fees will apply and could eventually lead to the deactivation of Tebra Payments. These consequences can apply while the practice is in the Chargeback Monitoring Program, after exiting the program and not reenrolled in the program, or when the practice is reenrolled into the program after exiting.

Review the inclusion consequences below based on how many times the practice has exceeded the chargeback threshold.

INCLUSIONS	DESCRIPTION	CONSEQUENCE
Second	The practice exceeded the chargeback threshold for the first time after enrollment in the Chargeback Monitoring Program.	A warning is sent to the practice that there will be an increase in the payment processing fees.
Third	The practice exceeded the chargeback threshold again after the second inclusion.	<p>The practice’s payment processing fee will be increased to double the current fee.</p> <p>However, Tebra will review the practice’s chargeback history to help determine how to minimize additional chargebacks.</p>
Fourth	The practice exceeded the chargeback threshold again after the third inclusion.	Tebra Payments will be deactivated, and the practice will no longer be able to process transactions through Tebra Payments.

Chargebacks

Understanding Chargebacks

Tebra is a payment facilitator that allows our customers, also known as merchants, to accept electronic card payments using Tebra Payments.

- A payment facilitator operates in cooperation with acquiring banks, card networks, and the regulators who oversee the payments system.
- An acquiring bank is a bank or financial institution that processes credit or debit card payments on behalf of a merchant.

As the payment facilitator, Tebra manages the chargeback process between the acquiring bank and customers to respond to the dispute on behalf of our customer's decision.

A chargeback is when a cardholder files a dispute of a debit or credit card transaction. Cardholders have the option to dispute a charge with their card issuing banks. Once the chargeback is filed, the bank withdraws the funds to credit the cardholder while the claim is being reviewed. The disputed funds are held from the practice until the cardholder's bank can determine the results of the claim investigation.

Common Reasons for Chargebacks

There are many reasons as to why chargebacks occur. Here are three common reasons.

1 Fraud

The cardholder did not authorize the transaction.

2 Transaction Confusion

The cardholder does not recognize the billing descriptor and/or an authorized transaction on their statement and thinks it is a fraudulent charge.

The charge is posted to a statement with a billing descriptor. For Tebra Payment transactions, the billing descriptor displays the doing-business-as (DBA) name provided in the practice's Tebra Payments application and the cardholder does not recognize the billing descriptor on their bank statement.

3 Service Issues

The cardholder is not satisfied with the products/services they received, or the cardholder claims they never received the products/services they were charged for.

Common Consequences of Chargebacks

Here are some common consequences of receiving high numbers of chargebacks.

1 Chargeback Fees

The acquiring bank charges a \$15 processing fee when a chargeback is received. An additional \$15 representment fee is charged by the acquiring bank if the practice decides to dispute the chargeback.

2 Higher Processing Fees

The acquiring bank and card brand mandates higher processing fees for high numbers of chargebacks. For example, if the normal processing fee for Visa is 3%, Visa could increase the fee to 3.5% that could be passed on to the practice.

3 Lost Revenue

The practice can lose the cost of products/services that were provided and pay fees that are associated with the chargebacks.

4 Card Brand Chargeback Programs

The practice can be placed in a card brand chargeback program, known as the blacklist of card brands, that is accessible by any payment processor. Being placed on the card brand chargeback program means the merchant (i.e., the practice) has exceeded a certain threshold for chargebacks. This results in increased scrutiny from the card network, potential additional fees for each chargeback, and could lead to the merchant losing the ability to process payments with that card brand and other payment processors.

Chargeback Process Overview

The chargeback process can take 30 - 90 days depending on the card network, issuing bank, and the reason code. Cases that go to arbitration can take longer.

1 Dispute

A cardholder contacts their card issuing bank to dispute the charge.

2 Notification and Funds Movement

Tebra's acquiring bank receives a chargeback notification from the cardholder's issuing bank and informs Tebra. The acquiring bank also withdraws the processing fee of \$15 and chargeback amount from Tebra's bank account. Tebra then notifies the practice of the chargeback and debits the chargeback amount and related chargeback fee of \$15 from the practice's bank account. Review the [Chargeback Notification](#) section for more information about the notice.

3 Response

The practice can either accept or dispute the chargeback by providing evidence of products/services provided.

- If the practice decides to dispute the chargeback, Tebra will handle the chargeback dispute and charge the practice a \$15 chargeback representment fee.
- If Tebra does not receive a decision from the practice, Tebra is obligated to accept the chargeback on the practice's behalf.

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Chargeback Process Overview, cont.

4

Decision

When the practice disputes a chargeback, the card issuing bank reviews the evidence and decides whether to uphold or reverse the chargeback. Tebra will receive the card issuing bank's decision and notify the practice of the decision. Regardless of the bank's decision, the \$15 chargeback fee and the \$15 chargeback representment fee still apply.

- If the bank rules against the practice, the debited money is not returned to the practice's bank account.
- If the bank rules in the practice's favor, the practice is given the funds.

Chargeback Notification

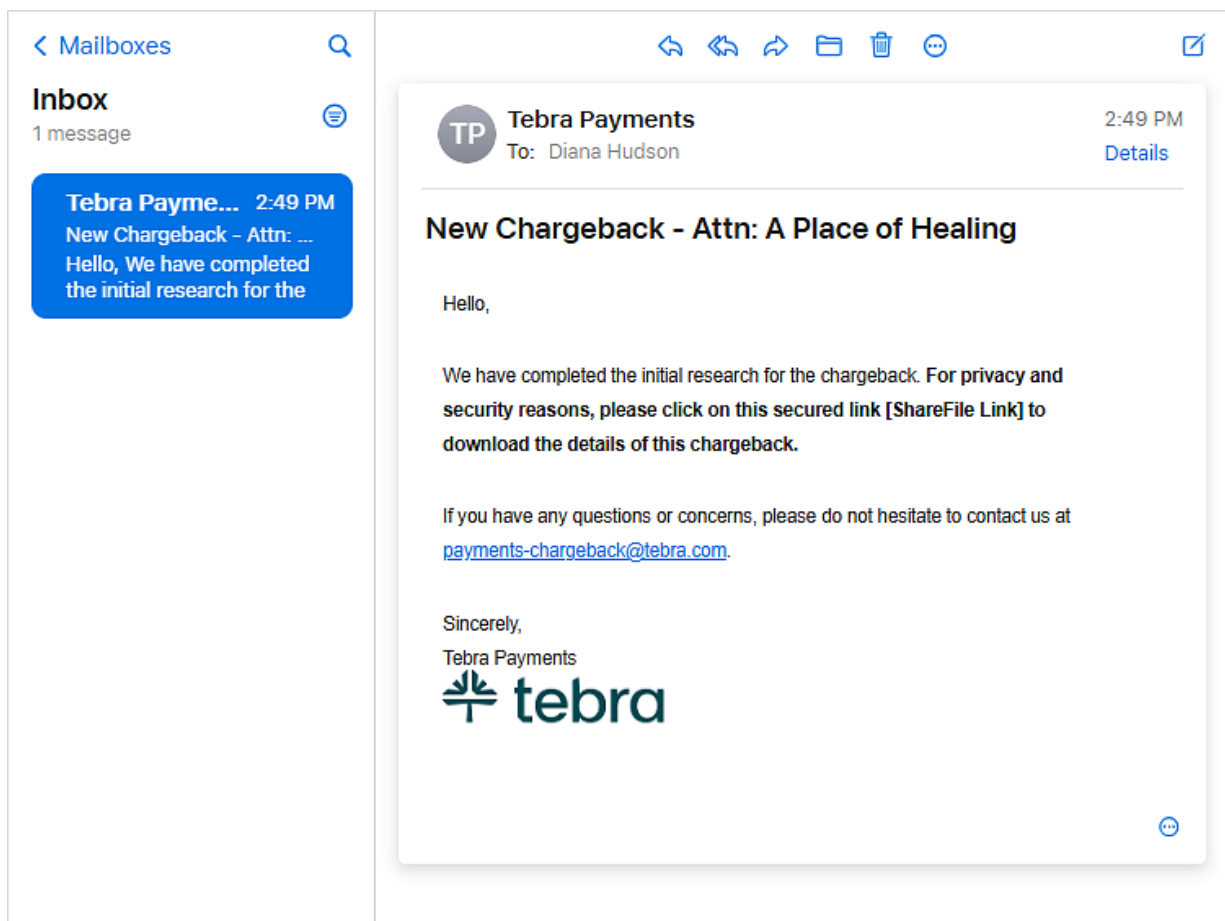
Tebra notifies the primary point of contact of the practice when a chargeback is received via email.

Due to the sensitive information, a secure link is provided to access the details of the chargeback.

The point of contact must enter their full name and email address prior to downloading the file.

Once the chargeback information has been reviewed, the practice must notify Tebra of their decision to either accept or dispute the chargeback by the deadline provided in the notification. Review the [Dispute Chargeback](#) section to learn more about the dispute process.

If Tebra does not receive a decision, Tebra is obligated to accept the chargeback on the practice's behalf.



Dispute Chargebacks

Should the practice decide to dispute the chargeback, Tebra will handle the chargeback dispute and charge the practice a \$15 chargeback representment fee. To dispute the chargeback, the practice must provide Tebra with supporting documentation. During the chargeback investigation process, Tebra may reach out to request additional information that will help the bank reach a decision on the dispute.

If the practice does not provide supporting documentation, the chargeback will not be disputed.

Dispute Documentation

Provide Tebra with documentation as applicable to help support the chargeback dispute:


- **Cover Letter:** A one-page cover letter summarizing the services provided, attached evidence, and reason why the bank should reverse the chargeback.
- **Invoice/Statement:** A copy of the statement that outlines the service provided. To protect the patient's privacy, only include their full name, address, phone number, email, cost of service, and total charge. Redact all sensitive information (e.g., date of birth, social security number, test/procedure details).
- **Transaction receipt/Proof of service:** A copy of the receipt (if one was saved at the time of the transaction) or record of the encounter with the cardholder's name. Review the [Collect Patient Payment \(Tebra Payments\)](#) help article to learn more about the receipt.
- **Agreement:** A copy of an agreement signed prior to receiving services that contains information such as the payment agreement and/or policies favorable to your case.
- **Card authorization:** A copy of documentation that states the practice is authorized to charge the card, ideally with the cardholder's signature.
- **Interactions:** Copies of email communications and/or notes of phone conversations that support the charge for services provided. Redact any sensitive information (e.g., date of birth, social security number, test/procedure details).

Bank Decision

Regardless of the bank's decision, the \$15 chargeback fee and the \$15 chargeback representment fee still apply. Refer to the [Pricing Policy](#) for additional information.

An email will be sent to the practice once Tebra receives an update regarding the bank's decision.


- If the bank rules against the practice, the debited money is not returned to the practice's bank account and the practice will be charged a \$15 chargeback representment fee. If the practice does not agree with the bank's ruling, they may choose to go into arbitration.

 Important Note: The practice may be charged network fees between \$500.00 and \$1,000.00 if they choose to go into arbitration.

- If the bank rules in the practice's favor, the practice is given the funds, less the \$15 chargeback representment fee.

Preventing Chargebacks

Tebra recommends the following best practices to prevent chargebacks.

- During the Tebra Payments application process, ensure the billing descriptor DBA is correct and recognizable. Cardholders often dispute transactions when they do not recognize the billing descriptor on their bank statements.
 Note: Should the practice decide to change the DBA to a more recognizable name after completing the Tebra Payments application process, request a Business Details Change Request Form by emailing ChangeRequest-Payment@tebra.com.
- Provide detailed descriptions of products/services and do not make unreasonable claims (e.g., guaranteed outcomes without disclaimers). Cardholders may dispute transactions if they do not believe the product/service they received matches its description.
- Have multiple channels (e.g., email, text, phone) for cardholders to reach the practice staff and actively monitor and respond. Cardholders often dispute transactions when they have tried and failed to get in contact with the practice to resolve issues.
- Establish and provide written forms that require acknowledgment and signature such as: cancellation policy, no refund/return policy, credit card authorization form, and consent for treatment forms. Review the [Forms and Policies](#) section to learn more.

Forms and Policies

You are solely responsible for ensuring that all forms created or presented to your patients meet your requirements and those of all applicable laws. Tebra shall have no responsibility or liability for or related to your use of the content, enforceability, or legal compliance of your forms, the information submitted by your patients through your forms, or for any decisions made or actions taken or not taken by you or any third party on the basis of the information gathered through such forms.


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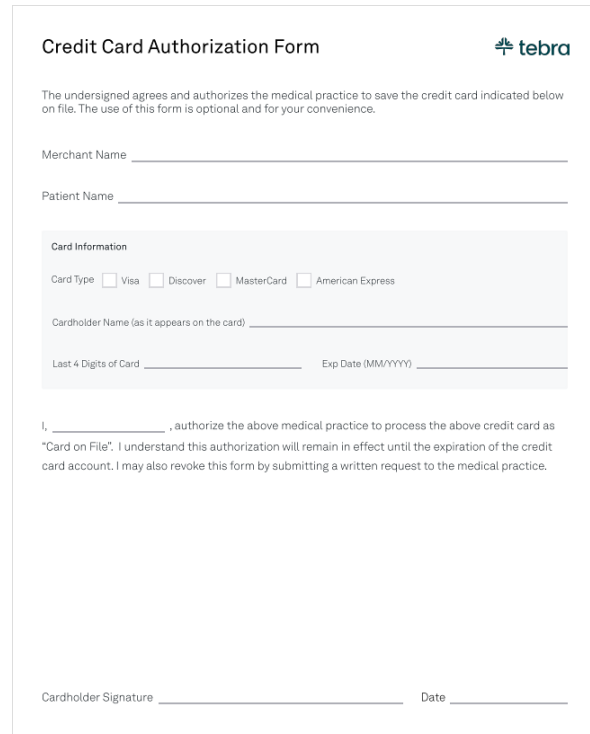
Forms and Policies, cont.

Credit Card Authorization Form

Credit Card Authorization Forms that allow the practice to process payments without the cardholder being present. Tebra provides a [Credit Card Authorization Form](#) that can be used when saving a card on file.

The form should include the cardholder's name, card number and expiration date, card network (e.g., Visa, Mastercard, American Express, Discover, etc.), cardholder's billing zip code, business name, and statement authorizing charges, with the cardholder's signature and the date it was signed.


 **Tip:** Available for Engage subscribers and accounts with access to Patient Intake, patients can add card(s) on file and electronically sign the [authorization form](#).



The screenshot shows a 'Credit Card Authorization Form' with the Tebra logo in the top right. The form includes a disclaimer: 'The undersigned agrees and authorizes the medical practice to save the credit card indicated below on file. The use of this form is optional and for your convenience.' It has fields for 'Merchant Name' and 'Patient Name'. A 'Card Information' section contains checkboxes for 'Card Type' (Visa, Discover, MasterCard, American Express), a field for 'Cardholder Name (as it appears on the card)', and fields for 'Last 4 Digits of Card' and 'Exp Date (MM/YYYY)'. Below this is a statement: 'I, _____, authorize the above medical practice to process the above credit card as "Card on File". I understand this authorization will remain in effect until the expiration of the credit card account. I may also revoke this form by submitting a written request to the medical practice.' At the bottom are fields for 'Cardholder Signature' and 'Date'.

Consent to Treatment Form

The Consent to Treatment Form provides a clear understanding of what product/service is being offered. This form also helps prevent any misunderstandings and lapses in communication that could lead to dissatisfaction with the care that is received.

 **Tip:** Available for Engage subscribers and accounts with access to Patient Intake, System administrators can [create custom forms](#) for patients to acknowledge and sign electronically.

Cancellation/No Show Policy

Provide a transparent policy for customers to understand the fee for no-shows and cancellations. It is important that all customers sign and acknowledge the document.

No Refund/Return Policy

A clear no refund/return policy that clearly communicates all services, treatments, procedures, and products are non-refundable.

Additional Assistance

For questions or concerns about the Chargeback Monitoring Program or the chargeback process, email payments-chargeback@tebra.com.

Additionally, access helpme.tebra.com to view help resources, monthly product release notes, help articles, guides, training videos, [contact Customer Care](#), and more.



The Digital Backbone for Practice Success

Tebra is the digital backbone built for both patient and provider well-being. From practice growth technology to clinical and financial software, our complete operating system is structured to modernize every step of the patient journey and support the connected practice of the future.