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Title

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Permalink

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Journal

Dermatology Online Journal, 27(10)

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Publication Date

2021

DOI

10.5070/D3271055632

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Peer reviewed

The utilization of cryptocurrency as financial reimbursement in dermatology practices

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Keywords: cryptocurrency, elective, payment, privacy, wallet

To the Editor:

Cryptocurrency is a decentralized digital form of payment that is encrypted and protected by blockchain technology. It has been used in a variety of settings for the purchase of goods and services, with many reputable companies welcoming it as an acceptable form of payment [1]. Cryptocurrency provides unique advantages that consumers may value, such as privacy and security with their spending. Society has begun to favor paperless monetary transactions in recent years. These methods, however, still create an identifiable trail for proof of purchase between buyer and seller. Cryptocurrency allows the consumer to reimburse the provider in a secure and untraceable manner, which allows it to be used efficiently and safely within the healthcare sector. In recent years, cryptocurrency has been utilized by many specialties within medicine, including urology, plastic and reconstructive surgery, and dermatology [2,4,5].

Dermatologists offer a wide variety of elective procedures that are not covered through healthcare insurance providers. These “out of pocket” procedures include neurotoxin injections, laser hair removal, dermal fillers, laser tattoo removal, and chemical peels. These services are typically paid via standard legal tender such as the United States Dollar (USD), but some dermatology providers have begun accepting cryptocurrency as a form of payment [2,3]. This is not exclusive to dermatology,

however, as many plastic and reconstructive surgeons have been accepting cryptocurrency as payment for similar procedures [5-7]. Both dermatologists and plastic surgeons provide personal, sensitive services that patients may feel more comfortable pursuing if full confidentiality is assured. Although the Health Insurance Portability and Accountability Act (HIPAA) provides strong privacy for patients, the protective umbrella of the policy fails to eliminate identifiable documentation of monetary transactions between patient and provider. Removing this easily identifiable link that connects a patient with their physician may facilitate a more secure doctor-patient relationship. Whether a patient desires more discretion with their skin care or has invested in cryptocurrency early and has discretionary cryptocurrency in their digital wallet, dermatology practices have the opportunity to meet the requests of their patients in unique ways by accepting cryptocurrency [5].

Cryptocurrency shows promising growth. Experts predict the global cryptocurrency market will grow from \$1.423 billion USD in 2020 to \$2.018 billion USD by the end of 2025 [8]. The projected five-year \$595 million USD growth is a force for which dermatology providers should prepare. With this growth potential, patients are likely to present to dermatology practices expecting to pay with cryptocurrency and dermatologists should anticipate these requests.

Of course, many dermatologists may be skeptical in accepting any form of payment other than traditional, reliable currency such as the USD. There

may be concern that the fluctuating nature of cryptocurrency could result in an inconsistent value of payment received than requested. To combat this, cryptocurrencies have direct exchange rates from each virtual currency to the centralized government's currency [6]. Third party applications can be utilized to convert virtual currency into the desired legal tender at the time of payment, ensuring the value of payment received equals the value of payment requested [6]. Of note, El Salvador recently passed a law that made Bitcoin legal tender, which took effect on September 7, 2021 [9]. This law would bypass the need for a third party to convert the cryptocurrency into legal tender.

Traditional legal tender does not provide the same discretion and privacy as cryptocurrency. The unique benefits of this form of payment are especially

pertinent in the medical field, pushing the need for continuation of the conversation of cryptocurrency usage in healthcare. Globally, dermatologists have begun accepting and incorporating cryptocurrency into their practice, setting a precedent for other fields of medicine to follow. The idea of integrating cryptocurrency into healthcare may be unfamiliar territory for many medical practices. As this heavily encrypted virtual currency rapidly gains popularity, dermatologists and other medical professional should consider cryptocurrency as a valid form of payment within their practices.

Potential conflicts of interest

The authors declare no conflicts of interest.

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