

Costly Reimbursement

The Hidden Fees of Prepaid Debit Cards
for Clinical Trial Participants





In 2008, the first prepaid debit card was introduced to the clinical research industry. It's been hailed as the industry standard for reimbursing participants ever since.

When it was invented, it was a drastic improvement compared to its alternatives (paper checks or cash) and it served multiple purposes: it was efficient, convenient, and easy for patients to use, providing faster payments; it reduced the administrative burden for sites by eliminating the need to manage paper checks; it offered tracking and reporting, crucial for regulatory compliance and audit purposes; and it was more secure and cost-effective.

But existing prepaid card solutions all share the same problem: they charge participants fees. This means that portions of the participants' reimbursement are being taken by the owner of the card as a high-margin profit center. Many patients, already dealing with the challenges of their medical conditions and the demands of participating in clinical research, find themselves losing part or all of their reimbursement to prepaid debit card fees—sometimes without even knowing about these fees. This model not only adds unnecessary financial strain but also undermines the purpose of reimbursing participants, especially those who are already underserved.



In this eBook, we will dive deeper into:

- The types of fees that exist on prepaid debit cards (and why they were created)
- Why these fees are problematic (for participants, sites and sponsors)
- Mural Health's solution (and how it benefits all stakeholders)

What are prepaid debit card hidden fees?

The first prepaid card was introduced to clinical research in 2008, when Sam Whitaker and the other founders of Greenphire created the ClinCard (Sam also co-founded Mural Health).

Hidden fees refer to charges that are not prominently disclosed to participants when they receive the card. These fees can reduce the amount of money participants ultimately have access to. Below are just a few common fees that are charged to participants:

Inactivity fees

ATM Balance Inquiry

ATM withdrawal fees

Monthly maintenance fees

Balance inquiry fees

Point-of-sale decline fees

Replacement card fees

Account liquidation fees

As shown below, most existing prepaid debit cards in clinical research charge inactivity fees and out-of-network ATM withdrawal fees. One leading vendor also charges a \$10 liquidation fee.

	Mural Link Card	Other Cards (U.S. fees)
Inactivity Fee	\$0	\$3-\$6.95 per month (kicks off after 90 days-12 months of inactivity)
Out of Network ATM Withdrawal	\$0	\$1.5-\$3 per withdrawal
ATM Inquiry	\$0	\$0.25-\$1.5 per inquiry
Card Replacement	\$0	Up to \$7 for physical card
Liquidation Fee	\$0	Up to \$15
Other Fees	None	Forex, Intl. ATM withdrawal, OTC cash withdrawal, Paper statement, ATM decline, Per purchase using pin, Receiving card

For more on the terms and conditions (including fees) for some of the prepaid debit cards in our industry, see the following links: [Greenphire Visa](#), [Greenphire Canada](#), [HyperWallet](#), [Dash Solutions](#), [Acurian Card](#), [Tango Card](#).

Fees are rationalized in a number of ways:



Administrative Costs: Even when a prepaid card is not in active use, the issuer incurs costs related to keeping the account open, such as system maintenance, account monitoring, and regulatory compliance. Inactivity fees help cover these costs.



Behavior Economics: It is argued that inactivity fees can serve as a behavioral nudge, encouraging cardholders to engage with and utilize their cards, enhancing customer loyalty and satisfaction when users benefit from the convenience and functionality of the cards. But regular use also generates other fee revenue for card issuers, such as transaction fees paid by merchants.



Offsetting Costs: Issuing and maintaining prepaid cards involve costs such as account maintenance, regulatory compliance, customer support, and system infrastructure. Inactivity fees help offset these ongoing expenses.

It was easier to justify these fees in the early 2000s, because the prepaid card was still a better option for participants over checks or cash, and much less expensive than predatory check cashing businesses. But it's 2024 and fee-free payment options for everyday use are abundant, and have been for several years (Zelle emerged in 2017, around the same time Venmo and PayPal first introduced B2C payment functionality).

So what is the reason for the continued use of the prepaid debit card with fees? This takes us into Chapter 2.



Why is the prepaid debit card still used in clinical research, when there are better options?

Because prepaid cards with fees are primarily a mechanism for revenue generation and cost management for card issuers.

Inactivity fees, in particular, are a significant source of income for a prepaid debit card company's "program manager." These fees help the program manager maintain profitability.

For generalist prepaid debit card companies (e.g., Stripe or PayPal's Hyperwallet), fees charged to cardholders are a critical part of their revenue model. But this isn't the case for a prepaid card in the clinical research industry; they are already paid by the sponsor. Instead, fees serve as a high margin profit center to inflate profits and drive premium returns for shareholders.

Inactivity fees typically range from \$2 to \$5 per month after a specified period of inactivity (often three to twelve months). If a participant does not use the card for an extended period, fees will accumulate until the card's balance is \$0. Given the large number of clinical trials conducted globally and the extensive use of prepaid debit cards for participant payments, the annual revenue from inactivity fees is substantial.

Even a small number of trials with high participation can generate significant fee income. For instance, with 100 trials and an average of 500 participants each, inactivity fees alone could potentially add up to millions of dollars annually. And vendors can have tens of thousands of participants across their studies at one time. If a substantial number of these participants are issued prepaid debit cards for their reimbursements and do not use the funds promptly, the fees can quickly add up. For example, if 10,000 participants across multiple studies each incurred a \$3 inactivity fee for a month, the monthly revenue from those fees alone would amount to \$30,000, without any associated cost.

When you combine these inactivity fees with the other fees that exist, it becomes increasingly startling and burdensome on participants. Inactivity fees penalize participants for not using their funds quickly enough, essentially taking money away from those who need it most. This is unethical for all participants, but especially for those who are already facing financial burdens due to the nature of their medical condition and/or existing socioeconomic status.

Lack of transparency has created a blind spot among participants, sites, sponsors, and even IRBs.

Transparency is a big concern for us at Mural Health. Inactivity fees and other charges associated with prepaid debit cards are often not prominently disclosed (based on dozens of conversations our team has had with both participants and sponsors). Instead, the fees are buried in lengthy terms and conditions that are not examined in detail, making the financial impact even more insidious. Many sponsors believe they have no fees associated with the card, because they themselves are not charged fees. But their patients are.

IRBs are primarily focused on ensuring the ethical conduct of clinical trials, the safety of participants, and the scientific validity of the study. Financial logistics, including specifics of payment mechanisms, likely don't receive the same level of scrutiny. They are instead considered a secondary concern compared to issues like informed consent and participant safety. IRBs are also typically composed of members with expertise in ethics, medicine, science, and law, but may lack members with specialized knowledge in financial matters, particularly the intricacies of prepaid debit card fee structures.

But does causing financial strain not directly correlate with patient safety and well-being? As an executive at a leading IRB shared with our team, she did not know cards have associated fees, because "it's not part of what is brought before IRBs for their approval." If the use of prepaid debit cards is a standard industry practice, IRBs might not question the use of these cards, unless specific concerns are raised. The normalization of these payment methods can lead to less scrutiny. Since the problem is well-hidden, the only ones who live with it are the program managers and the patients, often unknowingly. We should reject payment mechanisms that financially exploit participants.



The frustration is compounded when patients have to chase down their funds, which can lead to additional stress. The supporting infrastructure for prepaid debit cards tends to be inconsistent for participants, which can leave them waiting, with no updates, for much-needed payments. For some, their reimbursements are critical to covering the costs associated with participating in trials, like travel expenses. Eliminating these fees and offering participants more options for receiving their payments is a crucial step in reducing financial barriers and improving the overall experience for clinical trial participants.



Prepaid debit cards are also admin-intensive.

While prepaid debit cards offer convenience and reduced administration compared to checks, they are still admin-intensive. They are subject to the same regulatory requirements as their partnering bank, because the prepaid cards' program managers act as sales agents for their bank partners. This can impose an onerous burden of 'KYC' diligence that must be managed by the site. Additionally, they require inventory and fraud management. Sites often need to manage physical card inventory, which is particularly challenging when a site has multiple studies, as prepaid cards are typically restricted to use for a specific study. These multiple points of failure, combined with hidden fees, drive increased 'customer support' calls to the research site.

Prepaid cards also introduce complication with regard to ethical standards in clinical trials. Participants will continue to suffer a quiet exploitation until IRBs and ethics committees pay closer attention and scrutinize payment practices, to ensure they align with principles of fairness and respect for participants.

Ultimately, there is a growing recognition that many participants are unaware of the hidden costs, like inactivity fees, that can erode their compensation. There needs to be better communication and transparency between IRBs, sponsors, CROs, and payment vendors. Educating IRB members about the financial implications of various payment methods and encouraging thorough reviews of payment terms can help ensure participants are not unfairly burdened by hidden fees. Increased participant feedback and reporting mechanisms can also help bring these issues to light.

Some will say that prepaid cards are still needed, arguing that certain populations are slow to adopt tech.

But data shows otherwise.

- Research from the Capital One Insights Center found that digital financial literacy increases with age, noting that 74% of consumers over 65 rank highly on both digital and financial literacy (compared to only 28% of those ages 18-24).
- A 2019 AARP study found that the 50+ population in the US has dramatically increased its use of technology, with 85% owning smartphones.
- A 2021 survey by Pew Research Center found that 75% of people aged 50-64 use the Internet.
- A 2022 survey by Pew Research Center found that 28% of respondents aged 50-64 use Venmo, as well as 15% of those aged 65 and older.

(Also: the average age of a user of the Mural Link technology platform is 64!)

There is also a perception that there is a significant population of unbanked Americans. However, the 2021 FDIC National Survey of Unbanked and Underbanked Households shows that the unbanked rate is currently 4.5%, down from ~28% as reported by the FDIC's 2011 National Survey.

With this data in mind, it's clear that modern (and fee-free) payment options DO satisfy the needs of the vast majority of participants.

“The initial inclusion of fees set a negative standard that came at the expense of patients and, in hindsight, it's clear that the ClinCard's fees weren't critical to its economic viability.”

- Sam Whitaker, inventor of the ClinCard and co-founder & CEO of Mural Health

Our Solution: Mural Link + the industry's first fee-free prepaid debit card

Ideally, we'd eliminate the prepaid card altogether, given that now there are so many easier, more convenient, and fee-free alternatives (like Venmo and Zelle). But we recognize this may feel unfeasible for many sites and sponsors, given that the industry is so accustomed to prepaid debit cards. This is why we built and launched the industry's first FEE-FREE debit card in 2024!

Other companies will claim that fees are necessary and unavoidable, using confusing financial terms to justify them. But at Mural Health, we believe our participants deserve better. We vowed to *not* create a card option until we could make it fee-free, and now it's here!



As you'll see in the following chart, our card has no inactivity fees, no withdrawal fees, no card replacement fees. No fees at all!

All Fees	Amount	Details
Monthly usage		
Monthly fee (Card Maintenance)	\$0.00	Subject to applicable law, a monthly maintenance fee will be charged to your Card each month, starting on the sixth month after the issuance of the initial Card (and regardless of whether any replacement Card is issued). However, the monthly maintenance fee will not be charged in a month if: (1) money has been added to your Card in the preceding 90 days, or (2) your Card has been used to make a purchase in the preceding 90 days.
Spend money		
Point-of-Sale (POS) Transaction With PIN	\$0.00	Per purchase.
Point-of-Sale (POS) Transaction Without PIN	\$0.00	Per purchase. POS transaction without PIN include both signature-based transactions and all PIN-less transactions without a signature.
Foreign Currency Conversion	0.00%	Transactions made in currencies other than U.S. dollars will be converted to U.S. dollars. Conversion fee applies to all Transactions made outside of the U.S. This fee is included in the total amount of the settled transaction.
Get cash		
ATM withdrawal, in-network	\$0.00	At the present time, the ATM networks offer surcharge free (and in-network if applicable) to your card include MoneyPass® locations and Presto (Publix supermarkets). 7-Eleven locations are available through MoneyPass network. However, the ATMs comprising the networks may change from time to time. To be sure that the ATM you use is offered surcharge free or in-network 1) please confirm it is listed in the North Lane ATM locator and that the ATM's network is listed among the surcharge free networks for your program and 2) check the terminal's on-screen disclosure regarding fees.
ATM withdrawal, out-of-network	\$0.00	This is our fee. Out-of-Network ATM Operators are not affiliated with our Card program and may impose additional charges even if you do not complete a transaction.
International ATM withdrawal	\$0.00	This is our fee. ATM Operators may impose additional charges.
Information		
Customer service, automated or live agent	\$0	No fee for calling our automated customer service line, including for balance inquiries.
On Demand Text Alerts to Mobile Phones	\$0	We do not charge a fee. Your mobile carrier's text messaging rates may apply.
ATM balance inquiry	\$0	We do not charge a fee. The ATM Operator may charge a fee.
International ATM balance inquiry	\$0	We do not charge a fee. The ATM Operator may charge a fee.
Other		
Replacement Card, standard delivery	\$0.00	Per request. Card will arrive within approx. 5-7 business days.
Replacement Card, expedited delivery		N/A
Secondary Card	N/A	You may not request a secondary Card.
Card Decline, POS	\$0	We do not charge a fee. The ATM Operator may charge a fee.
Card Decline, ATM	\$0	Per transaction. To avoid this fee, be aware of your current balance.

In addition to our fee-free prepaid debit card, our comprehensive participant management platform, Mural Link, provides other options globally, allowing participants to choose how they are paid from a growing list of solutions (e.g. ACH, Paypal, Venmo, and more). We use the same methods of delivering payment that individuals use in their day-to-day lives. In other words, we make the experience easy and familiar for the participant.



- ✓ Payment choice
- ✓ No fees
- ✓ Intuitive experience
- ✓ Caregiver module
- ✓ Reduced out of pocket
- ✓ Customized, streamlined reimbursements
- ✓ Reduced out of pocket
- ✓ Easy, responsive communications

Mural Link is revolutionizing participant payments, ultimately driving strategic value to a study by genuinely making the participant's experience easier through a wide range of payment options. The platform radically increases the efficiency of in-person and remote patient and site experiences in two ways: eliminating the requirement of distributing physical debit cards and automating disbursement of payments linked to completed tasks. And we're enabling precision reimbursement, because we believe all participants deserve financial net neutrality.

By empowering participants and removing financial barriers to care, sponsors and sites reap many benefits:

→ Sponsors

- Higher enrollment and retention
- Increased participant diversity
- Higher participant engagement and compliance
- Reduced site burden

→ Sites

- Reduced drop-out
- Higher participant engagement
- Reduces payments and tax administration
- Reduced inventory
- No ride coordination
- Reduced fraud risk
- Auditable data



Now that you know about hidden fees, how will you move forward?

It's simple: prepaid debit cards with fees can lead to financial stress for participants and feelings of being undervalued – all of which lead to participant dropouts in clinical studies. And without participants, there is no research. Adopting a truly patient-centric approach to payments (and to all aspects of participant management) benefits sponsor reputation, improves trial success rates, and ultimately enhances the bottom line: enriching the experience for everyone involved in clinical research.

At the very least, sites and sponsors should:

- 1 Become educated on their payments vendor.** Know the card fees that exist for your participants, and clearly communicate it to both patients and caregivers so they can manage their card usage more effectively and avoid unnecessary charges.
- 2 Offer alternatives.** More than half of Americans use digital wallets more often than traditional payment methods (and older adults may surprise you).
- 3 Don't settle for a bad card.** If you want to maintain the prepaid debit card as an option for your participants, at least make it the one that is fee-free!



Get in Touch

Are you a site or sponsor interested in learning more about our fee-free prepaid debit card through Mural Link? We'd love to connect with you!



[Book a meeting with us](#)



[Visit our website muralhealth.com](https://muralhealth.com)

About Mural Health

We're on a mission to make it easier to be a participant or caregiver in a clinical trial. Mural Health is powered by industry leaders with a renewed vision to create the first patient-first participant management platform that leads with empathy in all features and capabilities.

Clinical trials are designed to collect, organize and analyze participant data, in a way that is as efficient as possible. The aggregation of diverse human experience, across the world, is the underlying source of the data sets that drives progress in clinical R&D.

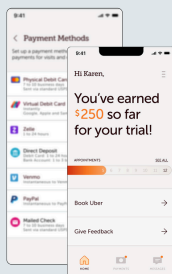
But a clinical trial cannot run successfully if we don't take special care of the patients (and their caregivers) that make the data collection possible.

Being a participant in a clinical trial is not easy. Financial barriers and transportation challenges are just a few reasons, among others, that leave patients marginalized and feeling disconnected from the trial. These types of issues don't only hurt participants, but often result in higher dropout rates and, consequently, impact the quality of data and ability to complete a trial.

We at Mural Health are on a mission to make it easier for patients and caregivers to participate in trials, relieving them from current trial challenges so that they can stay in a study from screening until study completion, regardless of their personal circumstances.

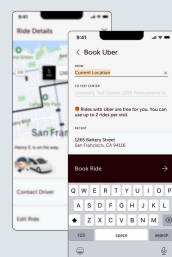
Mural Link makes participation easy

In one platform, participants can:



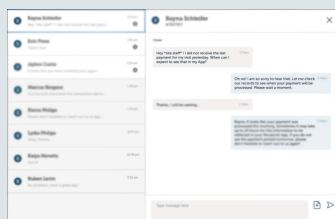
Get paid however they want (with no hidden fees, ever).

Participants choose from a growing list of payment options, including PayPal, Venmo, Zelle, direct-to-account, and the industry's first and only fee-free prepaid card.



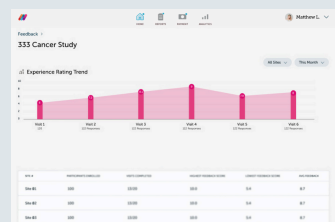
Travel with no out-of-pocket expense.

Participants can book their own transport via ride-share services right in the app, removing the need for cumbersome staff coordination and reimbursement.



Communicate and provide feedback easily.

With push notifications, in-app chat, and calendar syncing, participants always know what's coming up next, how to prepare, and where to turn for help.



Share insights about their participant experience.

Participants have a voice to provide feedback and help us identify outlier experiences to proactively engage & remediate.

What this means for you:



Exceptional engagement

Boost compliance and retention with easier participant reimbursements, on-demand transportation, and seamless communication.



Streamlined operations

Improve efficiency by eliminating physical card inventories, receipts, ride coordination, and 1099s.



Real-time data

Make informed decisions with access to a real-time analytics dashboard, where you can view satisfaction across all sites at all times and course correct when you need to.



Better results

Happier patients + greater efficiency = stronger results and solutions that get to market faster.