TRIAGE HEALTH

Finances

Quick Guide to Managing Medical Bills

A chronic or serious illness is expensive. But knowing some key tips on how to manage your medical bills can help you avoid unnecessary expenses. This Quick Guide will cover some ways to reduce your costs before you get medical care and after. The most effective way to avoid high medical bills is to make sure that you have adequate health insurance coverage that covers your health care providers and your prescription drugs.

To better understand health insurance terms and how to pick a health insurance plan, read our Quick Guide to Health Insurance Basics (TriageHealth.org/quick-guides/healthinsurancebasics) or watch these animated videos: Health Insurance Basics (TriageCancer.org/video-HealthInsuranceBasics) and How to Pick a Plan (TriageCancer.org/video-pickingaplan).

Ways to Avoid Higher Medical Bills Before Care

While it is impossible to completely avoid out-of-pocket medical costs related to a chronic or serious health diagnosis, you can take steps to avoid higher-than-necessary medical bills.

- **Have the Right Insurance.** People tend to only look at a plan's monthly cost when choosing a health insurance policy. However, you should also look at the out-of-pocket costs that you have to pay when you get medical care, such as co-payments, deductibles, and out-of-pocket maximums. You also need to make sure the plan covers your providers, hospitals, and prescription drugs. Reviewing your health insurance coverage is something that you should do each year to make sure that you have the coverage that is best for you. For tips on how to do this, visit TriageHealth.org/health-insurance.
- **Discuss Costs With Your Health Care Team Before Treatment**. Your health care team may have suggestions for reducing costs, for example, arranging health care appointments grouped together, helping you avoid extra co-payments for office visits.
- **Get Necessary Pre-authorizations.** Many health insurance companies require you to obtain prior approval (also called pre-authorization, prior-authorization, or pre-certification) before you get medical care. If you don't get the pre-authorization, your health insurance company might deny your claim. Make sure your health care team contacts your health insurance company before treatments, testing, surgery, or hospitalization to check if you need a pre-authorization. If your health care team does not request pre-authorizations for you, you are responsible for getting approval from your insurance company. Also, even if you receive approval, it does not guarantee that your insurance will cover your care. For more information, see: TriageHealth.org/quick-guides/preauthorizations/
- **Go to In-Network Providers When Possible.** To be a part of a plan's network, doctors and facilities contract with the plan and agree to accept a specific rate for their services under the plan. These doctors and facilities are considered "in-network." Doctors and facilities that do not have a contracted relationship with an insurer are considered "out-of-network." Some Preferred Provider Organization (PPO) plans have limited coverage for out-of-network providers (e.g., 50%). Most Health Maintenance Organization (HMO) and Exclusive Provider Organization (EPO) plans pay 0% for out-of-network providers.

- **Make Sure Health Care Providers Have Up-to-Date Information.** Make sure that all of your health care providers have your current contact information and insurance. Take your insurance cards with you to each medical appointment and to the pharmacy.
- **Be a Good Consumer.** Consider your health care options like you would any other item or service you purchase: shop around and compare prices. For example, you usually don't have to use a specific lab for a blood test. Not all labs charge the same amount, and there can be a significant difference in your cost if the lab is not in your health insurance plan's network. For more information on ways to shop for medical care, visit the Managing Finances module at TriageCancer.org/cancer-finances-managing-finances.
- **Negotiate With Health Care Providers.** If shopping around for lower-cost providers is not an option, you might be able to negotiate your medical bill, before you get care. Ask for up-front pricing for all non-emergency tests and procedures and ask if there are any discounts available. For instance, providers may offer a discount for paying in cash, rather than by credit card. You might qualify for an "ability to pay" program or "charity care" at a health care facility. Many hospitals have a billing department and even patient navigators who can help you negotiate a bill. Dollar For is a nonprofit organization that can check if you are eligible for Charity Care at your hospital, send you tips on applying, or even submit an application to the hospital on your behalf: dollarfor.org/TriageCancer
- **Keep Track of Your Out-of-Pocket Maximum.** While your insurance company usually keeps track of what you have paid for medical care out-of-pocket, and may even list that on each Explanation of Benefits (EOB) that you receive, it can be helpful to keep track on your own to make sure those amounts match. Mistakes happen and you don't want to pay more than you are required to under your plan.

  Also, when you visit a provider, you may be asked to pay a co-payment when you check in. If you have an insurance plan that includes your co-payments in your out-of-pocket maximum, your provider may not know that you have already reached your out-of-pocket maximum and, therefore, aren't responsible for paying any more co-payments for the rest of your plan year.
- **Leverage Out-of-Pocket Maximums.** If you've reached your maximum for the year, consider addressing any other health care needs you have, rather than waiting until the new plan year, where you will have to meet your out-of-pocket maximum again.

Understand Balance Billing and Surprise Billing

- **Be Aware of Balance Billing.** Balance billing occurs when out-of-network doctors and hospitals bill patients for the difference between a billed charge and a health insurance plan's allowed amount. For example, if you choose to see an out-of-network provider and that provider charges you $100 for a service, and your health plan pays only 50% for out-of-network care, then that provider can bill you for the $50 balance. However, this type of balance billing is typically not allowed if:
  - You have Medicare and use a health care provider who accepts Medicare
  - You have Medicaid and use a health care provider who has an agreement with Medicaid
  - Your doctors or facilities have a contract with your health plan (in-network) and are billing you more than the plan's contract allows
- **Be Aware of Surprise Billing.** You might face a surprise medical bill when you receive care from a provider you did not know was out-of-network. For example, you schedule a surgery with a surgeon and hospital that are in-network, but after your surgery, you find out that the anesthesiologist was not in-network when you get a large surprise bill from the anesthesiologist. Some states have tried to protect patients from balance billing: TriageCancer.org/state-laws/health-insurance-coverage-navigation. As of January 1, 2022, a new federal law, the No Surprises Act, protects patients who have private insurance from surprise bills. If you receive a surprise bill, contact: No Surprises Help Desk (800-985-3059) or file a complaint online (CMS.gov/medical-bill-rights).

Communications Around Medical Bills

The amount of paperwork generated each time you receive medical care can be overwhelming. Each time you get medical care, you can expect to receive some, or all, of the following items in the mail, by e-mail, or posted in your online insurance account, or online electronic medical record offered by your provider.

- From the health insurance company, you may get:
    - A letter indicating it has received a claim from the health care provider
    - A letter saying it is processing the claim
    - An explanation of benefits (EOB), which details the claim received, how much the provider charged for the particular service (e.g., an X-ray), what the health insurance company is going to pay the provider, and what the patient may owe the provider (often called the "patient responsibility"). Generally, EOBs are identified by the statement "THIS IS NOT A BILL" somewhere on the page.
- From the health care provider:
    - The bill with an amount that the patient is responsible for paying

You should wait to send in a payment to your provider until you receive your insurance EOB to ensure that the bill and the EOB match and that they are correct. If you're concerned about missing the due date on the bill while waiting for your EOB, contact your provider and let them know that you are waiting for your EOB.

Reviewing Your Medical Bills

Once you've gotten a medical bill, it's important to review it to make sure it's accurate. Don't be afraid to ask your providers to explain codes or descriptions of services you received. You should look for:

- Small errors, like a wrong number or code, can make a big difference in your bill. Ask for an itemized list of charges, request a copy of your medical records and pharmacy ledgers, and check that everything matches up.
- You might be able to challenge certain charges, such as:
    - Procedures that were ordered and then canceled
    - Medication ordered for you, but never given to you
    - Hospital errors (e.g., lab results were lost so the test had to be redone)
    - Hospital delays (e.g., an extra night's stay in the hospital because of an unavailable surgical suite)

If you need help managing your medical bills, consider:

- **Asking family and friends for help:** They can open mail, match EOBs to bills, and put payment due dates on your calendar.
- **Reaching out to a case manager:** Some insurance companies provide their customers with case managers to help them navigate medical care, health insurance policies, and bills. But it is important to remember they work for the insurance company. You still need to keep track of every conversation, write down who you talked to, the date you talked to them, and what you discussed.
- **Hiring a professional bill reviewer:** A professional bill reviewer or medical claims organization can help you with things like doing a comprehensive review of your medical bills to make sure they are accurate and checking diagnosis codes for upcharges. The Alliance of Claims Assistance Professionals has referrals (claims.org).

When Your Insurance Plan Says No:

At some point during your chronic or serious health condition treatment, you may experience a denial of coverage from an insurer, whether for an imaging scan, prescription drug, treatment, procedure, or genetic test. Most people take "no" for an answer. But those who don't accept the denial, and file an appeal, may actually win and get coverage for the care prescribed by their health care team!

For more information about appealing a claim denial, read the Quick Guide to Appeals for Employer Sponsored & Individual Insurance at TriageHealth.org/quick-guides/appeals, visit the Health Insurance Appeals Module at TriageCancer.org/Cancer-Finances-Appeals or watch this webinar on Health Insurance Appeals: TriageCancer.org/webinar-appeals.

Getting Organized

There are lots of tools available to keep track of your medical bills, EOBs, medical records, and other paperwork related to your medical care. But the key is to use whichever tool is going to make it easier for you to stay organized, whether that is a box with file folders or a 3-ring binder. You should also keep track of any communications that you have with your provider and health insurance company.

If you need to appeal any denials of coverage, you can use this Health Insurance Appeals Tracking Form: TriageHealth.org/AppealTrackingForm. You can also watch this webinar on staying organized: TriageCancer.org/webinar-gettingorganized.

One reason it is important to stay organized is that tracking all of your expenses related to your medical and dental care could actually save you money.

- If you need to get a pre-authorization, keeping that in a safe place is useful, in case your insurance company says they never gave approval.
- You should also keep track of all medical and dental costs, including meals, lodging, and travel expenses related to medical care, because these expenses might be tax-deductible, or possibly paid for through a flexible spending account (FSA).

For help tracking your medical bills, use our Medical Bill Tracker Worksheet: TriageHealth.org/MedicalBillsTracker.

Paying Your Medical Bills

- If you get a medical bill that you are unable to pay, it is important not to ignore it. Consider contacting your provider to ask for more time, or see if your provider would be willing to negotiate a payment plan or accept a lower lump-sum payment.
- It is also important not to wait too long to contact your provider about an unpaid medical bill. Contacting your provider before unpaid bills get sent to collection agencies can help protect your credit score.
- Be careful when you're considering paying medical bills with credit cards; they usually have high-interest rates, and you could end up spending more than necessary. You should also be careful when considering taking out a home loan to pay off medical debt. Using your home as collateral transfers the debt from being unsecured to secured, which means that the lender could take your home if you are unable to make payments.
- You can apply for financial assistance programs to help offset the cost of your medical bills.
- Visit TriageCancer.org/cancer-finances-financial-assistance for financial assistance resources.

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