

## **MEDICAL BILLS MANAGEMENT: A FEW TIPS\***

I am often asked about how best to manage mounting medical bills while patients must face serious health issues, undergo treatment, keep their job and maintain their daily activities. Who has the energy, time and will to deal with financial paperwork? How do you negotiate a bill or even know for sure that a statement is due?

While patient advocates specializing in billing issues can assist in this task, they can only do so based on the documentation they receive. Here are some tips that may make a difference for you and for them.

### 1. Be mindful of time limits

Patients usually have 30 days to make a payment on their account, or inform the office they contest a balance. Delaying may mean collection action (sometimes in as little as 60 days), or added interest. If more time is required, make a small payment to keep the account current and to show good faith. Make your call early for clarification purposes. If you disagree with a balance, indicate so in writing as soon as possible.

Insurance companies place time limits on filing a first grievance or second-degree appeal. Ninety days from the date on the Explanation of Benefit ("EOB") or the determination letter are the norm.

### 2. Communicate!

Report any arrangement, payment plan or settlement you have in place to your advocate to avoid misunderstanding and wasted efforts.

Always follow the policy guidelines about filing written appeals. You usually only have two: use them well!

A phone call asking for an explanation may count as strike one, even if you are unclear with the representative about your intention. Asking the adjuster to reprocess the claim "because the insurance did not pay enough" is a sure denial in the making.

### 3. Play the matching game

Keeping accurate records will prove worthwhile when filing for medical expenses tax credits with the IRS or seeking reimbursement from your HSA account.

I recommend matching every bill with the corresponding insurance Explanation Of Benefit. Confirm the amounts billed to you are justified, and that every medical service has been submitted to your insurer for payment. Discrepancies, errors or issues should soon become apparent.

I recommend an Excel spreadsheet to keep track of statements, EOBs and amounts paid. Keeping it updated on a weekly or monthly basis costs little effort, with great reward. This is the way I keep track for my clients. You don't need to itemize every charge, but each date of service and provider should have an entry.

### 4. Details count

Small details make the difference between success and wasting time and \$ on losing efforts. Winning an appeal may well depend on them.

Some examples: an error on the hospital's part caused you to have to stay longer; the provider was in network but canceled his contract with your insurance in middle of treatment; the patient signed a financial agreement while still under the influence of anesthesia or without an interpreter; the office sent your samples to an out of network lab because the Dr needed the results ASAP.

All of these are routine denials, yet each one can be the reason for winning your appeal.

In conclusion:

Managing medical bills, establishing the best strategy and getting to the best outcome depend on basic matching and minimum organization skills. While hiring a billing advocate can mean peace of mind, not every patient can afford this service.

A small investment of time can save you money by recognizing errors and having them reversed.

Blindly paying every bill you receive, or sticking them on the growing pile until you can (or want to) get to it are neither cost-efficient nor advisable.

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