

Tips for Cash Patients (Part I)

Self-pay patients come in many forms and descriptions. Once mostly uninsured, lower-income, unlikely-to-pay-the-bill individual, many now are likely to use cash fees to lower their liability.

1. Always ask for a Cash Discount

- As a "courtesy", you will generally be offered an initial cash discount. That does not mean you should accept it, but it is a start.
- If you know that you will be billed as a cash patient, negotiate early. Avoid a stressful situation and unpleasant surprises after the facts. Even if only an estimate is presented prior to a procedure or service, ask to go over the figures, agree to basics or pre-pay a "paid in full all inclusive" amount.
- Hospitals and many facilities have a charity program. Based on household income, and ratio of medical debt to income, you may qualify for a full write-off, or a partial adjustment.
- Ask to speak to the financial officer or billing manager. They are familiar with your situation and may help you find assistance. At the very least, they should help you work out a payment plan.

2. NEVER ever pay full price

- Cash patients requesting an itemized bill are routinely hit with the full amount of the chargemaster, which is the amount applied to any and every charge generated by a healthcare provider. Chargemasters are itemized lists of items, services and expertise that are translated as codes on a claim form. Pricing is routinely arbitrary, unjustifiable, and seemingly taken out of a hat. They never get paid in full by any insurer, and should not be paid in full by you.
- Some can be outrageous and even shameful. \$ 3,503.00 for a simple echo cardiogram usually reimbursed by insurance around \$ 200.00? check!. \$ 13,924.00 for a medication that Medicare reimburses \$ 802.00? You bet. \$ 111,960.00 for a stent insertion and angioplasty what usually is reimbursed at less than a few thousands? Looking at that bill right now. Examples go on and on, reflecting an industry-wide practice which, even if widespread and common does not make it less disturbing.
- Not only are prices outrageously inflated, many items on an itemized bill are not payable in the first place. That same bill sent to any insurance would have been corrected and coded to reflect medical billing ethics and requirements. Many charges are considered inclusive to the main procedure, components of a main code whose payment is calculated to include the sum of its parts. Some examples: tubing for IV, tubes and syringes for labs, items used during a specific procedure (i.e. Catheter guide or sheath for an angioplasty), the angioplasty portion if performed during a stent insertion, the review of medications during any office or hospital visit, oxygen monitoring during an ambulance ride and so on.
- As a general rule, if it does not have a code, or shows a same code that is being used for different items, then it's "unlisted" and usually inclusive. (It usually ends in 9). It should only be listed as a reference of the service rendered, with a \$ 0.00 charge.
- **In the meantime: make small monthly payments to show good faith and to keep your account current. Add a note stating you are reviewing the bill and assessing your options, and will contact the office soon to discuss full settlement.**

3. Do some research

- How can you negotiate a lower rate if you do not know how much you are being overcharged? HHS (Dept of health and Human Services) offers many basic billing guides on its website as part of its CMS Payment Fact Sheet Series. Look up ambulance billing and here is an easy to understand, explanatory 5-page guide. By reading pages 2 and 3, you will understand how a 5-mile trip has become \$ 3,105.00: by adding 8 inclusive charges to the 2 main ones that are the only ones payable. Even if you don't know that the Medicare allowance is less than \$ 550.00 for this trip, it will help you cross items off the bill when negotiating a lower price.

- Hire someone in the know to do it for you. Some patient advocates like myself have spent years in billing departments, and recognize inclusive, non-billable, unlisted, overpriced charges at a glance. We can find out the true allowances, and calculate a price that is more realistic and affordable.
- Google some terms up, especially medications. If they have a generic option, then chances are you were overcharged. Furosemide may warrant a \$ 89.55 charge, but as Lasix it should only cost around \$ 7.00. \$ 319.95 for 1 Clopidogrel pill sounds OK, but as Plavix, most insurance companies only pay \$ 5.00.
- Labs are another source of inflated charges: Basic labs such as CBC or CMP are reimbursed at less than \$ 20.00. Don't pay those \$ 250.00 charges! A urinalysis gets a reimbursement of less than \$ 10.00, yet I have seen them billed for \$ 120.00 each.
- If you are a foreign national, and have insurance in your home country, would it cover these expenses? Do you have travel insurance? If yes, give the information to the provider, so that the responsibility is shifted from you to the insurance before you leave.

Negotiating a bill reduction for a cash patient is necessary and advisable, especially before services are to be rendered. Some apps allow you to contact specialists or facilities, ask for a quote and negotiate a fee ahead of time. If a medical provider refuses to negotiate, go elsewhere or ask for a detailed explanation. If services were already performed, your options are more limited but by no means nonexistent. Patient satisfaction is becoming an important and mandatory benchmark for receiving insurance payments and keeping a good reputation. After all, dealing with bill disputes and irate customers cost time and resources, so you should always be able to find a willing ear on the other side when you make that call. More tips next week.

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