

Tips for Cash Patients (Part II)

As a continuation to last week's blog, here are more useful tips when negotiating for cash, or reduced fees with medical providers and facilities.

1. Audit your billing (and medical) records

Chargemasters (the list of all procedures, labs, medications, supplies, visits performed during an office visit or hospital stay) should reflect your recollections, personal notes and medical records. They may however have errors that only a line by line audit will uncover.

Some mistakes, especially on large facility bills, happen easily. Two separate users may record the same item; an item ordered by a physician is cancelled; a patient may refuse a sleep medication; an item is billed to the wrong patient; incorrect date of service and so on.

Some errors are obvious and should be rectified once common sense prevails: My 5-year old daughter was billed for a pelvic ultrasound in addition to the ear tube insertion that was performed. Really? A pregnant 5 year old?

Once a physician has signed an order, it is prepared by the staff, whether a medication or a surgery. However, should you pay for it if it is not performed?

Other errors, lapses, miscommunication may lead to an longer hospital stay, more medical care and services, or a more complicated case.

A good example is a recent overseas client in the US for a visit. Rushed to the ER, it was deemed that an angioplasty was necessary but not immediately. The hospital staff, well aware that the patient did not speak any English, scheduled him for the procedure several days later, without waiting for a translator. The patient, anxious and not understanding what was being done to him, panicked. The procedure was cancelled. It was successfully performed two days later, after the translator explained it in details. This was clearly the hospital's fault, yet this patient was billed for the failed attempt as well as the two extra inpatient days.

Even though your life may not have been in danger, and malpractice is not an issue, you are being "punished" for circumstances out of your control and certainly not of your own fault. Who is financially responsible?

Auditing your medical records may require the clinical and medical coding knowledge from a professional, especially a facility bill.

2. Sharpen those negotiating skills:

- Don't take the first offer: Chances are, 50% can be taken right off the top before you start talking. Unless you found a medical provider with a heart and some ethics (they do exist!) who bases the cash chargemaster on a rate like Medicare + a low percentage, the advice is to start low.
- Save interest by offering one full agreed-upon payment rather than monthly payments. First you will save interest, second you may just get an additional percentage off for doing so. If you use a credit card, and are being charged interest, why then get hit with more interest for the same bill? Charge it all, clear your account with the provider and pay off Visa.
- Make contact quickly: you do not want your account to be sent to Collection. Unpaid account past 90 or 120 days make the billing department look inefficient at collecting the debt, prompting them to sell your debt to an agency to get it off the books. Some accounts are sent after 60 days, so don't delay!
- If you don't have it all, try and find the whole amount you agree to pay by asking family members or friends for donations, fundraising, looking for financial assistance, cashing in

your life insurance, looking into borrowing from your 401(K), and more.

- Offer a check rather than a credit card. If a provider can save on their credit card processing fees, he/she might look more kindly on a discount.
- If you must make monthly payments, offer to set up an automated payment through your bank or credit card. That will save statement mailings and time, and reaffirms your good faith and commitment to paying.

3. Use apps like PokitDot:

Free for iPhone, iPad, iPod Touch, soon for Android



This app caters to those likely to pay cash for a medical or dental service and for all of us who care about pricing transparency. Locate providers in your area, compare costs and services, review options, request quotes and negotiate a fair price directly with the office or facility.

Even if you have insurance, find out if an upcoming procedure or visit is cheaper as a self-pay patient than using your policy (especially if you have a high deductible). You might be surprised!

4. Hire a Patient Advocate

Patient Advocates come in different specialties and skill sets. Some, like myself, worked in the medical billing field for years, Familiar with coding, records, statements, chargemasters and common reimbursement rates, we can sort through itemized bills effectively and thoroughly.

Even though these services are not free, and not considered medical expenses, it is certain that hiring a patient advocate will save you money, time and efforts, and lead to more fruitful negotiations. Insider knowledge will make a difference.

A word of caution: all patient advocates are not skilled in negotiations and billing matters. Question their skills and experience before signing any contract.

While charging a percentage of the savings is a common practice, charging up to a 30% commission can be seen as unethical and somewhat greedy as patient advocates are, by definition, people helpers. The higher the savings, the lower the commission rate should be.

I recently negotiated a \$ 275,000.00 hospital bill down to \$ 40,000.00. Still a lot, but a 85% reduction! The patient was only offered a 20% discount before I stepped in. Using my experience and skills as a certified mediator, I was able to point out mistakes, miscodings, discrepancies, duplicates, bundled and inclusive items, non-billable charges. I calculated the usual reimbursement rates using proper coding methods and presented a complete billing analysis for which the facility had no answer.

Like everyone else, your creditor is looking for a prompt payment that covers expenses and brings in some profits. After all, services were provided that should be paid for. Your supermarket does not let you take that grocery bag home with nothing but the promise of a

later payment, so why should your doctor or hospital?

People on the other side of the phone call have not made the rules, created the chargemaster or prompted your need for services. Be kind and understanding as their ability and authority to reduce your bill may be limited. If you cannot sign off on an agreement, ask to speak with a supervisor, or someone with that authority.

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