

## MEDICAL BILLS QUICK GUIDE

When you get a medical bill, be sure to examine it very carefully. An estimated 90% of all bills contain errors. Use this guide to help you understand your statements a little better and hopefully save some money!

### Be Sure Your Bill Is Itemized

- Never pay a bill the first time you receive it. The hospital, provider or insurance may still be processing charges. Wait until the second or third statement arrives before you ever open your wallet.
- Never pay a bill that's not itemized. If yours isn't, call the billing department and ask them to send you a new bill that includes an explanation of each charge as well as diagnostic (ICD-10) and service codes (CPT or HCPCS).
- Some billing departments will tell you that general charges such as "pharmaceuticals" or "surgical supplies" are itemized. Don't accept that nonsense. Ask for a breakdown of each and every item.
- The billing department may also tell you they are not allowed to send itemized bills with codes. **This is not true.** It's your legal right. Be persistent and ask to speak to a supervisor if necessary. Move up the chain of command until you get your detailed statement.

### Compare Your Bill to Your Medical Records and EOB

It's a good idea to keep copies of all of your medical records so you can compare them to your bills. You'll also want to have your insurance plan's explanation of benefits (EOB) available to compare with your medical record and bills.

Make sure that what is documented in your medical record is consistent with the charges on your bill and the information in your EOB. This is no easy task. Billing statements and EOBs are intentionally confusing and hardly anyone can figure them out. If you know a medical professional that may be able to help you, definitely ask for their input.

If something doesn't seem right, or if you have questions about charges, call the billing department, provider or your insurance company and ask for a detailed explanation.

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### Negotiating Your Medical Bills

Some hospitals and providers are willing to negotiate when it comes to your medical bills.

Here are a few suggestions to work out a “deal” on your bills:

- First, arm yourself with knowledge. You can look up the typical prices insurance companies pay for healthcare services at **Healthcare Bluebook** or **Fair Health**. Use the prices on these websites when negotiating your bills.
- If there are charges on your bill that seem especially outrageous, ask for them to be reduced to the amount listed on **Healthcare Bluebook** or **Fair Health**.
- Ask for a ‘prompt-payment’ discount if you pay your bill in full within a certain amount of time.
- Ask if you can set up a no-interest payment plan.
- Find out what your options are for financial assistance. Federal law requires nonprofit hospitals to provide financial aid to qualified patients. Keep in mind that some hospitals’ definition of assistance is to simply to knock a small percentage off your bill.
- If you don’t have insurance or received a service that wasn’t covered by your health plan, ask if you can pay the insurance or Medicare rate. These rates are almost always lower than what the hospital charges private-pay patients. Again, you can find these rates on **Healthcare Bluebook** or **Fair Health**. To look up Medicare reimbursement rates, go to **Medicare.gov**.

You should know that even if you manage to get a ‘discount’ on your bills, you’re still likely way overpaying for medical services and products. Hospitals, and some providers, mark up prices beyond reason and U.S. lawmakers have done nothing to regulate the healthcare industry’s price gouging.

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### Disputing Charges

If you find errors on your bill, or the prices are well above what is listed on Healthcare Bluebook or Fair Health, you should dispute the charges.

Do this **IN WRITING** as soon as you can.

Call your insurance company if you believe there are charges on your bill that should have been covered but weren't. You can appeal denied claims.

If you have Medicare, go to **Medicare.gov** to learn how to file an appeal.

You should always dispute 'surprise bills.' There's a separate section to help you learn how to do that in this guide.

### If Your Bill Goes to Collections

If an unpaid bill goes to collections, the collection agency must notify you immediately. You then have 180 days to settle your account before the agency reports it to the credit bureaus.

Once you pay, the debt must be removed from your credit report within 45 days. This is your right under the 2016 U.S. Medical Debt Relief Act.

Even bills that end up in collections can be disputed. The Fair Debt Collection Practices Act gives you 30 days to dispute a debt. This must be done in writing. You can request an investigation after a collection agency's initial contact with you. The collection agency must provide you with proof that your debt is correct. They can not conduct any further collection activity until this is done.

If you are in the middle of disputing charges, directly with a hospital or provider, they **CAN NOT** send your bill to collections. You will need to remind the billing department of this.

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## Filing a Complaint

- If you've disputed a bill and didn't come to an acceptable resolution, file a consumer complaint. Go to [www.usa.gov](http://www.usa.gov) and click on 'Consumer Issues.' Follow the prompts from there.
- If you believe your bill has fraudulent charges, file a complaint with your state's Department of Health and Human Services and with your insurance company.
- If your issue involves a state health insurance company, contact your State Insurance Commissioner (Google 'State Insurance Commissioner and 'your state') and file a complaint with them.
- If you receive insurance through your employer, your health plan may be 'self-funded'. If you're not sure, call your company's human resources department and ask. If you have a complaint against a self-funded insurance plan, contact the Department of Labor's Employee Benefit Services Administration and let them know.
- If you believe you have been erroneously or fraudulently billed by a medical provider and did not come to a resolution, file a complaint with their state governing body (medical boards are listed at [FSMB.org](http://FSMB.org); nursing boards are listed at [NCSBN.org](http://NCSBN.org)). You can also write to the provider's speciality association.
- Consider contacting your local news organizations, and getting on social media, to lend a voice to your issues. Most importantly, write to your elected officials (contact information can be found at [www.usa.gov](http://www.usa.gov)) and let them know that you demand fair and transparent pricing when it comes to your healthcare.

## Be Persistent

Dealing with medical bills is frustrating to say the least. It takes a lot of time, effort and patience of steel to sort them out.

When you contact billing departments, always remember to stay calm and be reasonable. An assertive but friendly attitude works wonders in getting you the results you want.

If you aren't making progress with the first person you talk to, speak with a supervisor. Continue moving up to the highest authority until your issue is resolved.

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### Dealing With 'Surprise Bills'

If you get treated at an in-network hospital, chances are there will be out-of-network providers involved in your care. For example, if you have surgery and the anesthesiologist is not in-network with your insurance, you may end up with a hefty bill from that provider that insurance won't cover.

Here are a few tips to deal with or avoid surprise medical bills:

- Choose hospitals and providers that are in-network when you can. Unfortunately, you don't always have a say in this. Especially if you have to go to an emergency room.
- If you have a planned hospital admission, make sure the hospital is in-network. Ask about the potential role of out-of-network providers in your care. Request in-network providers when possible.
- Write this disclaimer on your hospital admission paperwork (the section or form that asks you to accept full financial responsibility for your care): **"I do not consent to out-of-network providers being involved in my care. I will not accept financial responsibility for any out-of-network providers involved in my care without my consent."** This doesn't mean you won't get surprise bills, but at least you'll have something to work with when you contest the charges.
- If you get hit with surprise bills, you should dispute the charges or at least try to negotiate a discount (see 'Disputing Charges' section of this guide). Do this in writing as soon as you can. Refer back to the disclaimer you wrote on your hospital admission paperwork.
- Call your insurance company if you get surprise bills. Ask if they'd be willing to pay out-of-network providers as if they were in-network. This will lower the amount of money you owe out-of-pocket.
- Some states have enacted laws to protect patients from surprise billing. Google 'The National Academy for State Health Policy, surprise bills' to download a free chart outlining specific states' laws.

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## How to Read a Medical Bill

### The Basics

- The first bill you receive from a provider or hospital is likely to be a summary of your charges with vague descriptions of the services. Some statements show up with an 'amount due' and no summary of the costs at all. Never pay a bill like this. Request an itemized bill that includes service and diagnostic codes.
- Once you have your itemized bill, go through each charge to see if it makes sense.
- If any of the services or diagnoses don't seem right, look up the codes and their descriptions on the internet (more on that below). You can find out the discounted prices that insurance companies pay for medical services at **Healthcare Bluebook** or **Fair Health**.
- Compare your bill to your medical record and the explanation of benefits (EOB) you receive from your insurance. Make sure they are all consistent.

### Diagnostic and Service Codes

Your insurance company decides what to pay hospitals and providers based on the diagnosis and service codes they receive after you see a provider or are in the hospital.

If you went to the ER with a broken arm and had a cast put on, here are the codes your insurance company may receive so they'll know what to pay to the hospital and providers:

- International Classification of Diseases (ICD) code: S52.201A. This is your diagnostic code. It represents a fracture of your ulna bone (your arm).
- Common Procedural Terminology (CPT) code: 99284. This is your service code. It represents your evaluation in the ER. You may also see 25535 for your cast.

If you are a Medicare patient, service codes are called Healthcare Common Procedure Coding System (HCPCS) codes. There may be multiple CPT or HCPCS codes on your bill depending on how many services you received.

It's important for you to understand what these codes mean so you'll know if there are any errors in your medical bills.

- You can look up both CPT and HCPCS codes using **Medicare's search tool**. Change the modifier in the droplist at the bottom to 'All Modifiers.' Just be aware, the costs listed here are for Medicare patients only.
- You can look up ICD codes at **ICDcodelookup.com**.



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## Example of an Itemized Medical Bill

This is the type of bill you want to see. Never pay bills that have charges but no explanations or codes.

**ABC Medical Center**

123 Wellness Way  
New York, NY 10010  
Phone: 123-456-7891

**TO:**  
Polly Patient  
Patient ID: 123456789  
123 Happy Street  
New York, NY 10010

Make sure your personal information is correct. If it's not, your insurance may not be processed correctly.

Make sure the dates here match the dates you were seen by your doctor or the hospital.

### INVOICE

DATES OF SERVICE: 1/2/2019  
STATEMENT DATE: 2/2/2019

**INSURER: BLUE CROSS BLUE SHIELD**

Claims Department  
Policy# ABC12345678910  
321 Insurance Drive  
New York, NY 10012  
123-123-4321

Make sure your insurance information is correct.

Your Bill is Due on **February 15, 2019**. If you have questions, please call the Billing Department at 123-321-1234.

Make sure the dates of service are correct.

These are CPT or HCPCS service codes. You can look them up online.

These are ICD 10 diagnostic codes. You can look them up online.

You can check the hospital's chargemaster to see if these charges match. (Not an easy task but worth a try).

DATE OF SERVICE	SERVICE CODE	DIAGNOSIS	SERVICE	CHARGES
1/2/19	99284	S52.201A	ER Evaluation	8500.00
1/2/19	99223	S52.201A	Physician Consult	900.00
1/2/19	J3490	S52.201A	Percocet	80.00
1/2/19	25535	S52.201A	Fracture Treatment	1500.00
			TOTAL	10,980.00
			BCBS Insurance Paid	8,784.00
			AMOUNT YOU OWE	2,196.00

This is how much your insurance paid. Compare this with your insurance's EOB.

This is how much you owe. Compare this with your insurance's EOB.