



Get Better Health Care for

Less Money

You *don't* have to pay a fortune to get good medical care; you *do* need to know how

BY ROBIN WARSHAW

Medical costs were the last thing anyone

worried about when MarySue Bolton, 48, suffered critical brain damage in a car accident. "We had good insurance," says her daughter, Lisa Singelyn. "We thought we were fully covered."

MarySue's insurance *did* pay her hospital bills. But she also needed nurses around-the-clock at home, and insurance provided little for nursing care or medical supplies. The Pasadena, California, family's out-of-pocket expenses totaled about \$17,000 a month—and continued until MarySue died a year and a half later. "The medical bills forced us to sell our family home, which we loved," says Lisa.

Similar stories are all too common these days. And you don't have to be critically ill to run up devastating medical bills. In the United States, health care costs now average \$3,510 per person each year, according to a recent study published by Project HOPE, a health education organization.

Despite these grim statistics, however, you can still get good medical care without going broke. The key is to become well-informed and learn how to work the system so you won't be tempted to take risks with your health just to save money.

Know the Rules

When a New Jersey pediatrician ordered a skull X ray for an infant, the

When her son, Matthew, needed surgery, Patty Whitlock negotiated the fee.

baby's parents raced to a nearby radiologist. The receptionist said their insurer would accept the charges, so they paid in full and filed for reimbursement later.

That's when they discovered that although their plan "accepted" the \$100 X-ray fee, it counted toward a \$500 deductible for out-of-network providers. Had they been more familiar with the details of their insurance, the family could have found a network radiologist and saved \$100.

As this case illustrates, it's important to review your policy's "explanation of benefits" *before* seeking treatment. Ask your benefits department or the insurer's customer service representative to explain anything you don't understand. If you're in a managed-care network, ask for an updated list of approved doctors and hospitals. Find out when you need insurer approval before having a medical procedure.

If you do *not* have health insurance, call your state Medicaid office. You may qualify for government-funded coverage even if you have a job. (For more information on free services, see Sourceline, page 142.)

Negotiate Doctors' Fees

They're more variable and negotiable than many patients realize. Sometimes, discussing your financial concerns upfront is enough to get a reduction. That's what Elizabeth Smith of Pelham, New Hampshire, did. Pregnant and uninsured, she was dismayed when her physicians recommended extra procedures. She asked if they could lower the fees—and they did. She also discovered that her dentist and chiropractor offered discounts to patients who paid cash.

Patty Whitlock, a medical billing manager in Fort Lauderdale, has seen doctors cut fees in half when patients ask for reductions. "They set prices high because insurance companies pay only part of the fee,"

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BETTER HEALTH CARE CONTINUED

she says. Her advice: Ask your doctor for the appropriate procedure code, then use that to obtain quotes from other physicians in the area.

Patty followed her own advice when her toddler had emergency surgery. The bill was \$3,000, which she considered exorbitant. Her insurance company paid only \$2,100, so Patty acquired the surgery's procedure code and compared prices. When she told her surgeon that other physicians were charging much less, he cut his fee by the \$900 she still owed.

received a marginal increase in our premiums," Nora says, "but we're saving \$120 a month on drugs."

Ask your employer to offer flexible spending accounts if they're not already available. These allow you to have money withheld from your salary to cover unreimbursed medical costs, including insurance deductibles and co-payments as well as vision care and other uncovered services. Since the money you put aside is not subject to income taxes, the savings can be considerable. If you're in the

Cut Prescription Costs

Ask your doctor if a cheaper medication will work as well. A

generic drug has the same active ingredient as its name-brand counterpart, but costs less. A therapeutic substitute has a different active ingredient but may be equally effective, says Catherine Cooke, Pharm.D., of the School of Pharmacy, University of Maryland at Baltimore.

Get a list of your medical plan's approved drugs. Don't wait until you go to the pharmacy to find out if your medication is covered. Give your doctor a copy of the list to refer to when he writes prescriptions.

Shop around. Judy Gibson of Pasadena, Maryland, started comparing prices when she discovered that the prescription she paid \$30 for at one pharmacy cost \$50 at another.

Discuss quantities with your doctor. For a chronic skin problem that needed daily medication, my doctor prescribed a cream available

in both 3-ounce and 8-ounce tubes. Since my insurance requires me to pay \$10 toward any nongeneric prescription, I was able to save almost \$20 by asking my doctor to prescribe the larger tube.

Be wary of free samples.

According to Dr. Cooke, the free samples doctors receive are often the most expensive medicines. If your supply runs out before treatment ends, you may have to pay a high price to continue. Samples are a good deal, however, if you're taking a drug for only a short time or want to make sure you can tolerate the side effects before you buy a large quantity.

Consider mail order for medications you take daily. For long-term use, ask for price quotes from several mail-order companies, then compare them, including mailing costs, with local pharmacies before ordering. And plan ahead; mail orders may take several days to arrive.

You don't have to be uninsured or facing major bills to negotiate reductions. Ask for fees to be waived for brief office visits or to combine several services under one fee. "Every time the insurance company is *not* billed for a medical procedure, it saves you money (by holding down insurance costs)," says Charles Inlander, president of the People's Medical Society, a consumer health advocacy group.

Lobby for Better Coverage

Nora Lee of Erie, Colorado, needed expensive medications for herself and her daughter. Although her husband's employer-sponsored health plan covered the whole family, it didn't cover drugs. Nora decided to ask other employees if they'd be willing to pay extra for drug coverage. Many said yes, so she took her case to the company's owner, who agreed to set up a prescription plan. "We

28 percent bracket and put aside \$1,000 a year, for example, you'd save \$280 in federal taxes alone.

It's important, however, to estimate your unreimbursed costs carefully before deciding how much to put into a flexible spending account. Any money left in the account at the end of the year is forfeited.

Cut Hospital Costs

One way to fight high health care costs is to scrutinize medical bills, especially those from hospitals, which are notorious for making mistakes. Keep a record of all procedures and doctors' visits during your hospital stay, then compare it with your charges. If you're too ill to do the paperwork, ask a friend or relative to help you.

Inlander, coauthor of *Take This Book to the Hospital With You*, recommends rejecting services you don't need (such as

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