

Managing Medical Bills and Debt

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Who is Georgia Watch?

Our organization

- Founded in 2002
- Statewide advocacy organization
- Non-profit and non-partisan

Our work

- Ensure consumers get a fair shake
- Trusted resource for elected officials, the public, and the media
- Empower consumers through outreach and education
- Offer a toll-free Consumer Hotline

Our issues

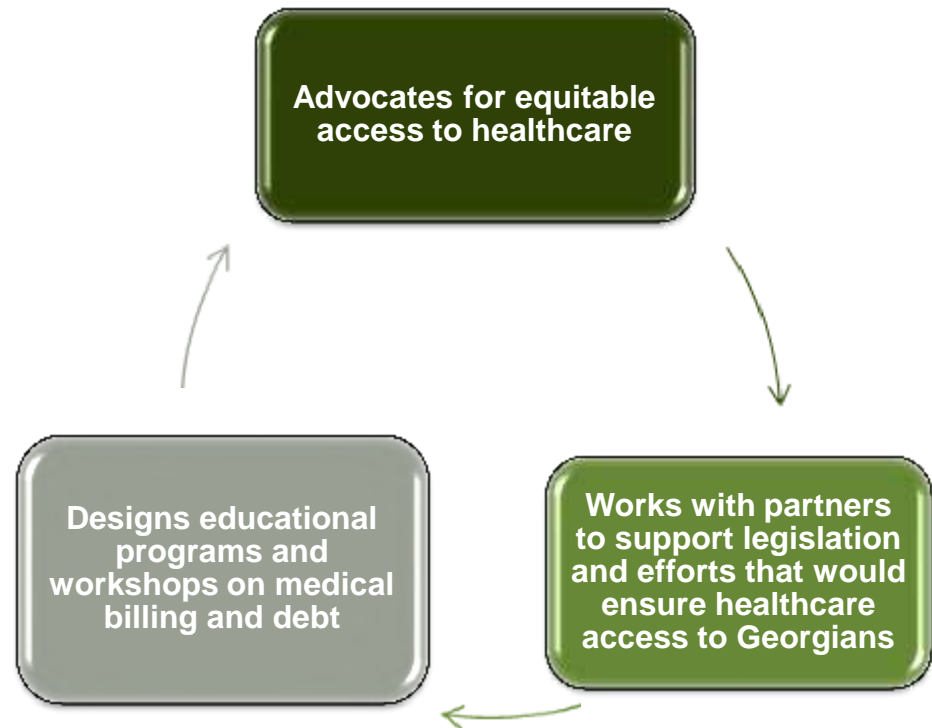
- Health Access Program
- Financial Literacy
- Consumer Energy Program
- Access to Civil Justice



Health Access Program (HAP)

Georgia Watch focuses on a wide range of healthcare access issues, including:

- » Providing practical information for managing medical bills (e.g. dealing with surprise medical bills, navigating health insurance, and seeking financial assistance)
- » Promoting hospital accountability
- » Engaging in policy work to minimize surprise medical bills



Workshop Overview

- 1) Introduction**
- 2) Before You Make a Doctor's Appointment**
- 3) Explanation of Benefits (EOB) Statements**
- 4) Reading Your Medical Bill**
- 5) Medical Debt and Your Credit Report**
- 6) Filing an Appeal with Your Insurer**
- 7) Paying Your Medical Bills**
- 8) Filing for Bankruptcy**
- 9) Debt Collection and Your Rights**
- 10) Conclusion**



**The information provided is not a substitute
for legal advice.**

**Georgia Watch encourages anyone in need
of help on these matters to seek legal
counsel.**



Introduction: Medical Debt

» Bad news

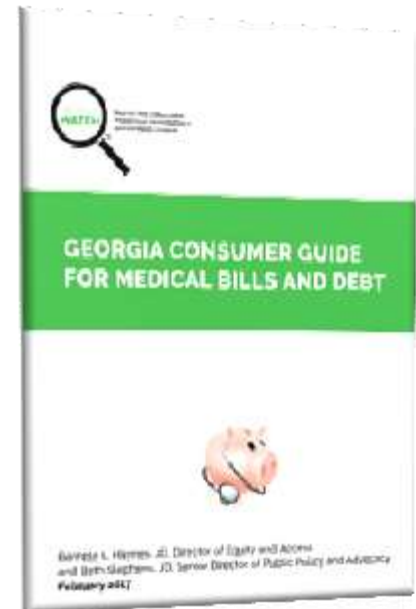
- > Healthcare costs are higher than they have been in 50 years
- > Consumers are paying higher and higher health insurance premiums and out-of-pocket medical expenses
- > Healthcare costs are a struggle for both uninsured *and* insured consumers
- > Increased healthcare costs → medical debt
- > Healthcare costs are the #1 reason people file bankruptcy



Introduction: Medical Debt

» Good News

- > Medical debt is not beyond your control
- > You can learn to manage and minimize your medical debt
- > The [Georgia Consumer Guide for Medical Bills and Debt](#) helps consumers find answers to some of the most complex questions associated with medical billing and debt



Before You Make a Doctor's Appointment

- » You have a right to get clear, simple financial information about your healthcare services and bills.
- » Ask questions and get answers!



Before You Make a Doctor's Appointment

Before you schedule a doctor's appointment, you should ask your *insurer* which of the following?

- a. Is the healthcare service free?
- b. Is there a co-pay or deductible?
- c. Both a and b.



Ask Your Insurer...

- » **Is the healthcare service free?**
 - > Preventive
- » **“Free services”: screenings, check-ups, and patient counseling to prevent illnesses, disease, or other health problems.**
- » **Is there a co-pay or deductible?**



Ask Your Insurer...What Does My Insurance Cover?

Deductible

How much you owe for services (that your insurance covers) before your health insurance begins to pay.

Ex. If your deductible is \$500, then your plan won't pay until you've met the \$500 deductible. *Many plans have separate in-network and out-of-network deductibles.*

Co-Pay

A fixed amount that you pay for covered healthcare services or prescriptions, usually when you receive the service.

Ex. \$25 for a visit to doctor's office. This amount can vary by the type of covered healthcare service.

Ask Your Healthcare Provider...Am I In-network or Not?

In-Network

The healthcare provider has contracted with your insurance company to accept certain negotiated (i.e. discounted) rates.

Out-of-Network

The healthcare provider has not contracted with your insurance company to accept certain negotiated (i.e. discounted) rates. You may be responsible for additional costs.

Ask Your Healthcare Provider...Why Do I Need This Test or Procedure?

Ask how much the service will cost.

- You have the right to ask about healthcare charges before you visit a doctor. *This is particularly important if you don't have insurance.*
- If the service will involve outside labs or doctors, be sure to find out whether those providers are in-network with your insurance plan.



Compare costs.

- Use trustworthy websites like HealthcareBluebook.com and FairHealthConsumer.org to compare costs.



Ask about the rate for insured patients.

- Patients with insurance are charged less.
- If you are uninsured, ask for the rate that insured in-network patients pay for the same care, and ask to have your rate lowered.

Explanation of Benefits (EOB) Statements

After your appointment, your doctor mails you an Explanation of Benefits (EOB) statement.

True_____

False_____



Explanation of Benefits (EOB) Statements

- » EOB statement is NOT a bill
- » FAQs about EOBs
 - > Insurance company mails it to you
 - > Explains how much your healthcare provider is charging your insurer
 - > Explains how much the insurer will pay
 - > Explains how much you have paid or may have to pay (usually your co-pay, deductible, or any other balance due)



Typical Information in an EOB Statement

- » Patient name
- » Enrollee name
- » Patient number
- » Claim number
- » Date of service
- » Place of service
- » Customer Service
- » CPT codes
- » Reason codes
- » Date of process
- » Charge amount
- » Allowed amount
- » Payment amount
- » Due from patient



Sample EOB Statement

EXPLANATION OF BENEFITS (EOB) THIS IS NOT A BILL

 **INSURANCE COMPANY NAME**

Online: www.insurancecompany.com

20 Customer Service: 1-800-XXX-XXXX

Statement Date: XX/XX/20XX

Document Number: XXXXXXXXXXXXX

1 Member Name: Jorge Ramirez
Address: 123 Main Street, Apt. 301
San Antonio, TX 782XX

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3 Member ID: XXX-XXXXXXXX-XX
Group Number: XXXXXX

2 Patient Name: Lisa Ramirez
Date Received: XX/XX/20XX

4 Relation: Dependent
Provider: Dr. Martha Flores

5 Claim Number: XXXXXXXXXXXXX
Date Paid: XX/XX/20XX **6**

CLAIM DETAIL

	Date of Service	Service Description	Provider Charges	Allowed Charges	Discount	Co-Pay	Deductible	Co-Insurance	Paid by Insurer/Plan	Patient Responsibility	Remark Code
1	8 XX/XX/XX	Follow-up 10	\$150 11	\$110 12	\$40	\$30 15	- 15	-	\$80 17	\$30 13	1
2	XX/XX/XX	Labwork	\$70	\$50 12	\$20	- 15	- 15	\$10	\$40 19	\$10 13	1
TOTAL			\$220	\$160	\$60	\$30	-	\$10	\$120	\$40 18	

Remarks:

9 1 – Billed amount is higher than the maximum payment insurance allows. The payment is for the allowed amount. **14**

What to Do with Your EOB Statement...

- » **Compare the EOB statement to your bill (if you receive a bill later). There should be no differences or duplicate charges**
 - **If you see differences or errors, you will need to contact your insurance and perhaps your provider**
- » **Keep your EOB statement. Store and file it for at least a year**
- » **Shred old ones to protect your personal information**



...What to Do with Your EOB Statement

Is there an error in your statement?

Call your insurance company's customer service number (listed on the EOB). Tell them your concerns.

Did your insurer tell you to follow up with your provider?

Follow your insurer's advice and call your provider's billing department.

Do you suspect fraud? (e.g. upcoding, unbundled fees, billing for unnecessary services or services you did not receive, etc.)*

Contact your insurance company's anti-fraud department.



Reading Your Medical Bill

- » You may receive a medical bill in the mail after you receive the EOB
- » Typical terms on your medical bill:
 - > Charge: amount the healthcare provider has decided to charge for the service(s)
 - > Amount Paid by Insurance: what your insurer paid to provider
 - > Balance Due: amount you now owe the provider
 - > Adjustment: amount the healthcare provider has agreed not to charge



Sample Medical Bill


**PROVIDER
LOGO HERE**

MAILING ADDRESS
 Your Name
 Street Address
 City, State, Zip

1 Account Summary

Account Number	123456789
Guarantor Name	Your Name
Healthcare Insurance	Insurance Company
Statement Date	MM/DD/YYYY
Due Date	MM/DD/YYYY
Balance Due	\$XXX.XX

Account Number: 123456789 Guarantor Name: Your Name

2 Date of Service	Description of Service	4 Charges	5 Adjustments	6 Insurance Paid	7 Balance Due
MM/DD/YY	Office Visit XXXXX	\$XXX.XX	(\$XXX.XX)	(\$XXX.XX)	\$XXX.XX
TOTAL AMOUNT YOU OWE					\$XXX.XX

8 Financial Assistance
 For more information regarding our Healthcare Assistance policies, please contact our customer service team at 888.888.8888.

9 Ways to Pay

- Pay online at www.providername.com/billing
- To make a payment over the phone, call 888.888.8888
- Make checks payable to Provider Name and mail to the address below

SEND THE PAYMENT STUBS WITH YOUR PAYMENT. KEEP THE TOP PORTION FOR YOUR RECORDS.

ONE-TIME CREDIT OR DEBIT CARD PAYMENT

CHECK CARD TYPE
 Credit Card # XXXX
 Expiration Date MM/YY - YY/YY
 Cardholder Name XXXX
 Card # XXXX-XXXX-XXXX-XXXX
 Cardholder Name XXXX

PROVIDER MAILING ADDRESS
 Provider Name
 Street Address
 City, State, Zip



What to Do with Your Medical Bill: Checklist

- » **Who sent the bill?** One care visit can lead to many different bills
- » **Is the bill overdue?** Take action as soon as possible
- » **What is the bill for?** If you don't know, call and ask for an "explanation of the charge"
- » **What are the details of the bill?** If unclear, ask for an "itemized bill" with "CPT codes"



Medical Bill Errors: Checklist

- » **Are there errors in the bill?** CPT codes in bill should be the same as the CPT codes in EOB statement
- » **Look for common errors in the bill:**
 - > “Marked up” supplies: gowns, gloves, etc
 - > Operating room overcharges: compare “anesthesia record” with your bill
 - > “Unbundled fees” and “upcoding”



Medical Bill Errors: Checklist (Cont'd)

» If I find a medical bill error...

- > Contact your medical provider's office
- > Contact insurer
- > Request corrected/adjusted bill
- > Take detailed notes and keep records of phone calls (get a reference number for each call)
- > Pay part of bill that's correct
- > Check your credit report



Medical Debt and Your Credit Report

Credit reporting agencies have to wait 60 days from the date a medical bill is past due before adding the debt to your credit report?

True_____

False_____



Medical Debt and Your Credit Report

- » Medical debt can appear on your credit report
- » **Credit report:** record of loan-paying history, credit cards, debt collections, etc
- » Lenders use these reports to make lending decisions



Check Your Credit Report!

- » **Annual Credit Report online**
- » **Check your personal information**
 - > **Name, SS#, address, etc.**
- » **Unpaid medical debt is added to your credit report 180 days from the date a medical bill is past due**
 - > **This gives you time to receive and pay the bill**
- » **Debt should be removed after it's paid**
- » **You can file credit bureau dispute if there are errors**



Filing an Appeal with Your Insurer

- » You have the right to appeal a charge with your insurer if you think your insurer should have covered a service or item
- » **Appeal:** asking your insurer to reconsider its decision to not pay for a certain portion of your care
- » There are two levels of appeal...



Two Appeal Levels

1: Internal Appeal

Your insurer reviews its payment decision in a full and fair way.

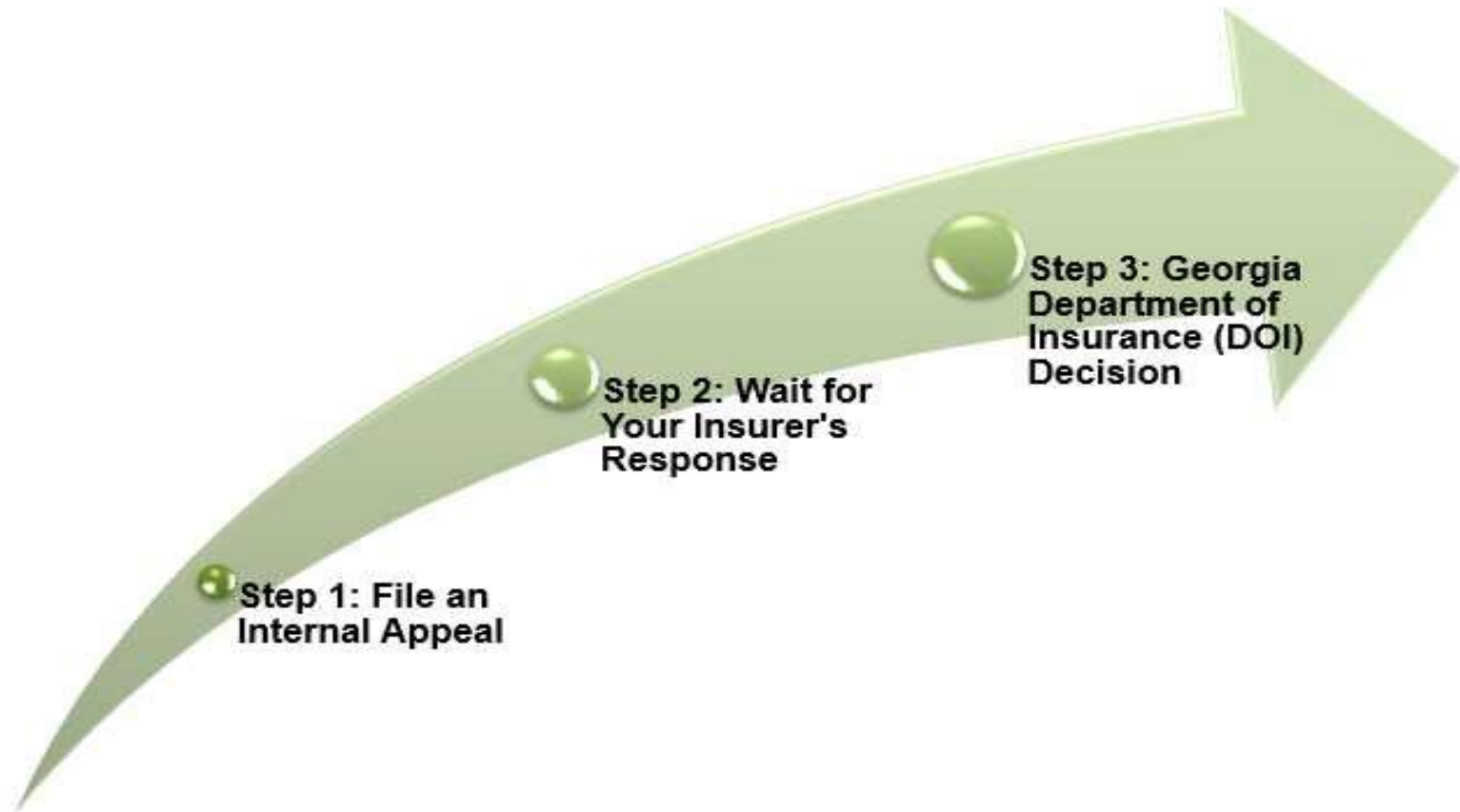
You have 180 days (from the time you find out your claim been denied) to file this appeal.

2: External Appeal

If the insurer still decides they will not pay for the service, then you can ask the Georgia Department of Insurance review your claim.


You have 60 days from the results of the internal appeal to file this appeal.

Steps in Appeal Process



Paying Your Medical Bills

First, take a look at your finances:

Two overlapping green circles of different shades are positioned to the left of the first two rows of the table.

Know your financial situation	<ul style="list-style-type: none">• Create a list of other debts and bills• Figure out which to pay first (e.g. mortgage, utilities, taxes, child support, etc.)
Don't put medical bills on credit cards	<ul style="list-style-type: none">• Credit cards have high interest rates and harsh late penalties



Paying Your Medical Bills

If you can't afford to pay the bill, call your provider and negotiate to pay a lower amount. Keep these things in mind:

Be polite and persistent.

Know the typical costs of procedures.

Know the medical terms. Ask what medical terms mean.

Request to pay a lower amount.

Request a payment plan.

Paying Your Medical Bills

Nonprofit hospitals have financial assistance policies to help you pay your medical bills.

True_____

False_____



Financial Assistance Checklist



- ☐ Check your bill and/or the provider's website for any notices and information about a financial assistance policy
- ☐ Contact the provider's financial counselor or the billing office to ask about whether the provider has a financial assistance policy
- ☐ Ask the provider to "write-off," "forgive," or "cancel" some or all of the bill
- ☐ Ask to get any financial assistance agreement in writing
- ☐ Follow up to make sure the bill is not on your credit report



Paying Your Medical Bills

Getting help paying your bill:

- » **Indigent Care Trust Fund (ICTF)**
- » **Department of Community Health**
- » **Retroactive Medicaid Eligibility**
- » **Hospital's bill assistance webpage**
- » **Legal services' consumer assistance programs**

Remember...

- » **You have rights!**



Filing for Bankruptcy

- » **Bankruptcy:** federal court process to help consumers eliminate their debts or repay them
- » **Types of bankruptcy: Chapter 7 and Chapter 13**

Chapter 7

- No minimum amount of debt you must have in order to file.
- You have to file in court.
- The court erases almost all of your debts, and **on the day you file**.
- But not so fast! You might still have to sell some property and assets to pay creditors.

Chapter 13

- Designed for people with stable incomes who believe they can repay all their debts eventually.
- You have to file in court.
- The court does **not** erase your debts. Instead, the court creates a repayment plan to help you pay off your debts.

How to File for Bankruptcy

BEFORE YOU FILE: SEEK HELP FROM A CONSUMER CREDIT COUNSELING SERVICE TO DETERMINE YOUR OPTIONS. THIS IS REQUIRED BY LAW.

There are state and federal organizations that provide consumer credit counseling and advice. See *"Consumer Credit Counseling"* in *Additional Resources and Help*.

NOW THAT YOU'RE READY TO BEGIN THE BANKRUPTCY PROCESS: GATHER YOUR FINANCES!

Current
income
sources

Major financial
transactions for the
past two years

Monthly
living
expenses

All
debts

Property and
assets, not just
real estate

Your past two years' tax
returns, deeds, car titles, and
loan documents

FILE FOR BANKRUPTCY, ON YOUR OWN OR WITH THE HELP OF AN ATTORNEY.

Determine which property (e.g. pensions, insurance, public benefits, etc.) you believe is exempt from seizure, based on Georgia exemptions.

File a two-page petition and several other forms (called schedules) at your Georgia district bankruptcy court.

A MONTH AFTER YOU FILE...

Trustees will call a meeting of creditors. You will receive notice of the location of the meeting. **You must attend this meeting.**

Debt Collection and Your Rights

- » **Debt collector:** A person or a company that regularly collects debts owed to others, usually when those debts are past due.
- » Federal and state laws exist to protect you from unfair, deceptive, or abusive debt collection practices.



Fair Debt Collection Practices Act (FDCPA) Prevents Debt Collectors from...

Calling you at work if
your employer doesn't
allow calls.

Calling you before 8am
or after 9pm.

Telling your friends,
family, or coworkers
about your medical
debt.

Harassing, threatening
violence or harm, using
obscene language,
publishing your name in
a list of people who owe
debt.

Making false statements
about your debt (e.g.
threatening to file a
lawsuit if they have no
plans to do so).

Contacting you after
you've written to tell
them to stop contacting
you.

Debt Collection and Your Rights

» Other applicable laws

- > Truth in Lending Act (TILA)**
- > Fair Credit Reporting Act (FCRA)**

» Helpful resources


- > National Consumer Law Center: “Disputing Errors in a Credit Report”**
- > Consumer Financial Protection Bureau (CFPB)**
- > Federal Trade Commission (FTC)**
- > Atlanta Legal Aid**



Conclusion

- » Medical debt is not beyond your control
- » You can learn to manage and minimize your medical debt
- » You have rights!

Georgia Watch's medical debt guide is available on our website at www.georgiawatch.org. Contact Berneta L. Haynes (bhaynes@georgiawatch.org) for more information or if you would like to receive hard copies of the guide.





PROTECTING CONSUMERS.
PROMOTING TRANSPARENCY.
EMPOWERING CITIZENS.

