

Medical billings

If you have trouble understanding your medical bills, you're not alone. Many people are confused about the bills they receive from hospitals, clinics and medical professionals.

Questions about your bill should first go to the hospital or clinic. Most have staff available to answer patient questions. Have your bill in front of you and know your account number before calling.

Your health insurance policy is a contract between you and your insurance carrier. Any questions about your health insurance should be directed to your agent or carrier. Many clinics are affiliated with Health Maintenance Organizations (HMOs) and may even have a name similar to the HMO. Contact the HMO with questions related to insurance coverage.

Paying your bill

You are responsible for paying your medical bills. Even though you have medical insurance, it is

common for hospitals and clinics to expect you to pay the bill in full immediately after receiving services, rather than billing the insurance company for its share. You then have to wait for reimbursement from your insurance company.

Be prepared to receive separate bills for physician services such as anesthesiologist, radiologist or surgeon. This means you may receive several billings from just one visit to the hospital or clinic. The bill may even come from a billing department with a different name than your hospital or clinic. When paying for your bill, include the portion of your bill with the account number on it and also print the account number on your check.

If you cannot pay your bill

Many hospitals and clinics will set up monthly payment plans. Review the paperwork for the monthly payment plan carefully. Understand exactly what you are

agreeing to before signing the contract.

If you are having problems paying your monthly bill, discuss it with the medical facility immediately. If you know before admission that you will have trouble paying your hospital bill, let the hospital know so you can work something out with them. Some offer cost-cutting health plans for eligible participants.

Don't ignore your bills if you can't pay them. Hospitals and clinics *can* refuse to provide care if you or a family member have an outstanding bill.

If your bills are already past due, you may be turned over to a collection agency. Most hospitals use an internal collections department before resorting to outside agencies. This internal collection doesn't affect your credit rating and it's very important to work with them in paying off your bill. Most are willing to make your monthly payment smaller when necessary or appropriate. Be prepared to

provide evidence concerning your current financial situation.

If your account is turned over to an outside collection agency, it usually demands payment in full. In most cases, negotiations must now be made between you and that agency—not the medical facility. There are specific laws in Wisconsin that regulate credit plans and collection practices. If you feel any laws are being violated, contact the Bureau of Consumer Protection.

Usual and customary fees

Insurance companies pay for all or a portion of what they consider usual and customary fees. This means the amount they see as reasonable for a particular service. Although each company varies, there is a national standard used as a guide. Read your policy very carefully to understand exactly *what* is covered and *how much* coverage you have. Buying supplementary insurance or Medigap doesn't always help with the uncovered costs. Many times supplementary policies simply overlap your primary insurance and you end up paying the same out-of-pocket costs, plus the extra premium.

Let your hospital or clinic and insurance company know if the cost of a service is more than your insurance will cover. There may be a specific reason your procedure cost more, or it might be a mistake. However, each hospital does charge different fees and this is perfectly legal. If

possible, shop around for a medical facility and compare prices just like you do before purchasing other goods and services.

General tips

Carefully review all medical bills you receive. Alert your hospital or insurance company to any questionable billings or unpaid balances as soon as possible. Keep in mind the following general tips:

- Watch for statements that let you know your medical bills were sent to another source for payment. These may look like bills, but they should include a statement like "This is Not a Bill," or "For Your Records."
- If you have difficulty understanding the charges on your summarized bill, request an itemized bill.
- Carefully review your bills for errors. Common billing errors include duplicate billings, unauthorized charges and code errors.
- Ask your insurance carrier if a medical procedure you're having requires prior authorization. This will make it easier when you file a claim and will avoid the disappointment when you find out that a procedure is not covered after you have already had it done.
- Don't visit an emergency room unless it is truly an

emergency. It's always more expensive. Many insurance companies won't pay, or will only pay a portion of an emergency room bill, if they believe it wasn't an emergency.

- Keep all your medical bills organized together. It may be helpful to keep them in separate envelopes with the date of service and date of payment printed on the outside.

Question and answers

Following is a sampling of some common questions and concerns consumers have regarding medical billings:

- Q.** We have been paying off a hospital bill of \$3,000 with a monthly payment of \$20. Now the hospital is demanding we pay \$50 a month. can it make us pay the extra amount?
- A:** Depending upon what was agreed to in your original payment contract, the hospital may be able to change your payment amount at any time. If you sincerely can't make a higher payment, discuss it with the medical facility and offer a financial statement as proof.
- Q.** I received a bill from my clinic that I felt was unreasonable and couldn't possibly be the correct amount, so I didn't pay it. Now it has turned my account over to a collection agency. Can it do that?

A: Yes. If you don't understand a bill, it is very important that you let your medical facility know that you received it and discuss it immediately. Otherwise you will be held responsible to pay the bill. If you put it off too long, a collection agency can become involved.

Q. I received a bill from Minneapolis for lab work. I've never been to Minneapolis. Where did this bill come from?

A: Many different procedures provided in the hospital or clinic are billed separately. Each has a different billing department than your hospital or clinic and it may be located anywhere in the country. Be sure to check the dates of service on the bill to make sure it's your bill. It is always possible that a code or clerical error resulted in the charge appearing on your bill by mistake.

Q. My husband's surgery cost \$2,500 but our insurance would only cover \$1,900. The insurance company said the rest was an excessive amount. What does this mean and will we have to pay the remaining \$600 out of our own pocket?

A: Your insurance company sets standards as to how much it will pay towards a particular procedure. Anything over this set amount is considered excessive. If your hospital charges more than your insurance will pay, let the hospital know. However, you are still legally responsible for paying the remaining \$600. This is a good reason to shop around for both a hospital and a good medical insurance policy.

Q. I received a bill from my dentist for work done over three years ago. I didn't even know I owed this money because I assumed my insurance company paid it. After checking, I found the insurance only covered a portion of the cost. It makes me angry the dentist is trying to collect for work done such a long time ago. Do I have to pay?

A: The statute of limitations is six years from the last payment. Medical providers may even try to collect on bills after the six years has expired; however, they cannot go through the court system.

For more information, or to file a complaint, contact the Bureau of Consumer Protection at:

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