

A GUIDE FOR NAVIGATING MEDICAL BILLS

Medical debt is a failure of policies not people. You should not be responsible for navigating a broken system. That said, the below tips could make it easier to access affordable care. That burden shouldn't be on your shoulders and Undue Medical Debt is working on policy changes to hopefully one day end medical debt.

Below are practical tips for reducing your risk of generating unpayable medical bills.

QUICK TIPS

- Don't pay with your credit card unless you have the money available.
- Ask for financial assistance, even if your hospital stay was a year ago
- When you apply for financial assistance, let them know about other large bills you have. Even if your income is good, you may not be able to pay.
- If you don't get financial assistance, ask for a payment plan.
- Do you struggle with negotiation? Get a friend to do the call with you.
- No one returning your call? Contact the hospital Patient Representative.
- Don't stop taking medications or going to the doctor.

Are you Underinsured or Uninsured?

Your policy's deductible should not exceed five percent of your gross income. If your deductible is higher, you are underinsured. Any illness or injury could cause financial hardships that endure for years. If you cannot pay for full insurance, the Affordable Care Act's Marketplace may help. If you can't afford this, be sure to ask the hospital or physician if you qualify for Medicaid.

Identify All Your In-Network Providers

Before you need care, find out which care providers are and are not covered by your in-network plan. A hospital may be in-network, but the providers there may not be, such as the ambulance, emergency room, radiologists, and clinical laboratories. You may get a "surprise bill" up to ten times higher than in-network charges for the same services.

If on Medicare, Get a Good Supplemental Plan

Medicare only covers 80 percent of authorized charges. If you can afford a Medicare supplemental plan, buy one. Covering that 20 percent gap could mean the difference between solvency and hardship if you get sick or injured.

Apply for Medicaid in Case of Low Income

Ask your local state Medicaid office if you qualify. Those on Medicaid never incur new medical debt. Medicaid may fully pay off medical expenses already incurred within a set timeframe, about 90 to 180 days, so apply quickly.

Communicate with Providers and Collectors

If you did not apply for charity care, and if paying the bill will cause hardship for you or your family, tell your hospital or bill collector. Answer their calls. Explain the situation. Be honest and realistic. They may actually help you.

Check Eligibility for Charity Care

In advance of any hospital visit, research its website for their "charity care policy" or "financial assistance policy." You may qualify for free care or services on a sliding scale, but you must ask for charity care when admitted. Hospitals rarely offer free or lower-fee care on their own. Once you're admitted as a "self-pay" patient, the hospital expects to be paid in full. Thirty percent of all hospital accounts in collections had qualified for charity care, but patients did not get it.

Don't Pay with Credit Cards or Loans

Never pay medical bills with high-interest credit cards or payday loans. Unless repaid quickly, such financial instruments may cost you double the actual debt. Instead, negotiate an interest-free installment payment agreement with the medical provider. No credit is needed for that, and it will not show on your credit report. Never miss a payment!

Pay only 3-6 Percent of Your Gross Income on Out-of-Pocket Expenses or Medical Debt

If medical bills pass two percent of your gross income, fiscal hardship can occur. You may have some resiliency, yet stay within three to six percent of your gross income. If any account is in collections, pay only what you can afford. No one can force you to pay a bill instead of life necessities. Do not stop taking medications, going to a doctor, or paying rent and utilities. You alone say whom to pay and what to pay.

NOTE: These educational tips are not comprehensive and should not be considered legal or professional advice. Undue makes no promises or warranties, yet we believe that applying these tips can help save you or your family from medical debt hardships.