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Don't put off dealing with unpaid medical bills

Experts urge debt holders to review bills, seek help and try to negotiate

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The Detroit News

Dealing with medical debt can be a harrowing experience, especially when the bills keep piling up and the tab runs into thousands of dollars.

But experts advise consumers to take immediate action on their bills.

"A lot of people toss them out and don't want to deal with them," said Brett Mobey, a financial counselor with **GreenPath Inc.**, a nonprofit debt counseling service based in Farmington Hills.

That's the wrong course of action, experts say.

"They are harder to deal with when they get to collections," Mobey said.

For those who've racked up medical debt, sorting through the bills can be confusing. Unlike credit card statements, many bills don't have itemized charges, specify dates or tell patients what they paid for, Mobey said. The bills often come in duplicates making it difficult to decipher which one to pay.

And private physicians send bills separately from the hospital even though a patient may see them in the same place.

With many workers losing their jobs and health coverage, the number of Michigan residents carrying medical debt is accelerating.

"The worst is on the horizon for increasing medical debt because of layoffs in 2009 and 2010," Mobey said. He said many displaced workers have been unable to afford insurance on their own or through COBRA, which allows ex-employees to continue coverage from a former employer by paying for it themselves.

In advising medical debt holders, financial counselors are emphatic on one point: Don't wait. Families USA, a nonpartisan Washington, D.C.-based health advocacy group, advises:

- Review all medical bills and make sure the charges are correct. If a charge seems off, get an itemized copy of the bill. Medical billing errors are far more common than people think, experts say.
- Check your eligibility for Medicaid and other government-assistance programs. In many states, Medicaid programs will consider large medical bills when determining eligibility, and in some instances, pay off debt retroactively, once approved. COBRA provides another option. Along with extending workplace benefits for

laid-off workers, it also will help cover bills incurred after the termination date. That is, if the worker back pays COBRA premiums to the date the employer-supported benefits lapsed.

- Talk to hospitals and other medical providers about "charity care." Many U.S. hospitals -- including health systems throughout Metro Detroit -- provide some free or low-cost care to uninsured or low-income patients who can't afford their bills. Check with hospital billing departments about discounts and financial assistance. If a hospital agrees to forgive some or all of the debt, make sure to get it in writing.
- Try to negotiate. Uninsured patients often are charged more -- not less -- than people with health insurance. That's because private insurers, along with government programs such as Medicaid and Medicare, have bargained for lower rates for their members. In some cases, providers are willing to reduce fees or extend the payment period to help uninsured patients. Also, let other doctors and specialists know if a hospital has provided you with free or discounted care. They may do the same.

Find the full Families USA guide, "Your Medical Bills: A Consumer's Guide to Coping with Medical Debt," at <http://www.familiesusa.org>>www.familiesusa.org.

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