

# **Guide to Resolving Medical Debt**

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## **Part One: Working with Medical Providers**

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Health Law Advocates (HLA) is a 501(c)(3) public interest law firm with a mission of providing *pro bono* legal representation to Massachusetts residents with low incomes who face difficulty accessing or paying for needed medical services. HLA is committed to ensuring universal access to quality health care in Massachusetts, particularly for those who are most at risk due to such factors as race, gender, disability, age, or geographic location. With its partner organization, Health Care For All, HLA combines legal expertise with grassroots organizing and policy reform to advance the statewide movement for universal health care access.



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## Paying Medical Bills: Overview

### Do

- Deal with the situation as soon as possible. As soon as you receive a medical bill, call your provider about the bill even if you feel like you cannot afford it
  - You may be eligible for a public program or provider-based financial assistance
  - Work directly with the billing office of your medical provider to negotiate bill discounts and payment plans
  - If your bill has been sent to collections, you may still be able to work directly with the provider to resolve the bill
- Call the billing office of your medical provider and ask about:
  - Public programs that may cover past bills
  - Screening for the provider's financial assistance programs
  - Getting future care
    - ◆ Will the provider continue to see patients if past bills are not paid?
    - ◆ Does the provider require pre-payment for future care?

### Don't

- Don't ignore medical bills—they do not go away!
- Don't agree to a monthly payment plan that you cannot afford!

### Be careful about...

- Paying medical bills before paying rent/mortgage, utilities, food, or other necessities
- Borrowing against your home or another asset to pay for medical bills
- Using a credit card to pay medical bills unless you can pay off the balance at the end of the month

## About Your Medical Bills

### Getting and understanding your medical bills

- Call or write your provider to get an *itemized bill*
  - The bills you normally get in the mail are not itemized, and do not have complete information
- Ask your provider for a copy of your *patient medical records* if you believe there was a billing error
  - You may be charged copying fees for your records
  - Compare your medical records to your itemized bill to see if there are any billing errors
- Look carefully at your medical bills and make sure all of the information is correct. For example:
  - Patient name and address
  - Date(s) of service
  - Insurance number and other insurance information
  - Length of stay for inpatient care
  - Accurate list of received services

### Challenge billing errors!

- Call your provider's billing office and ask them to correct any mistakes that you found
- If they do not correct the billing errors, ask to speak with a patient accounts manager and repeat your request
- If making a verbal request does not work, ask about the provider's "grievance" or "appeal" process for disputing mistakes on medical bills
- If there is not a formal process, write a letter to explain why you believe there was a billing error. Send the letter to the provider's Chief Financial Officer (CFO) or Chief Executive Officer (CEO). Send copies to the manager of billing, your state Attorney General, and any relevant advocacy groups that may be able to help

## Working with Medical Providers to Resolve Bills

### Tips for calling your health care provider

- Who do you speak with?
  - Begin with the clerk who answers the phone in the billing office
  - Ask to speak with a manager in the billing department (for example, the **Manager of Patient Accounts** or **Manager of Credit and Collections**)
  - Ask the manager about financial assistance policies, negotiating bills
  - Ask to speak with a **Financial Counselor** to apply for public programs
  - Climb up the administrative ladder and speak with the Chief Financial Officer (CFO), if necessary
- Always be polite to the billing people, even when frustrated - people respond better to kindness than to anger
- If you are unable to call for yourself, a friend, family member, or other advocate can call the provider on your behalf
  - You will need to be on the phone to give permission for the provider to speak with someone else about your case
  - A three-way call can work well
  - You can also fill out a written release form and send it to the provider so someone else can speak on your behalf
  - Make sure the other person has complete information about your case

### Keep good records

- Whenever you speak with someone about your medical bills, write it down:
  - Date and time of the call/meeting
  - Name of the organization or institution you are calling
  - Name and job title of person you speak with
  - Contact information for person you speak with
  - Questions you asked
  - Answers you received

**SUGGESTED LANGUAGE TO USE WHEN CONTACTING THE  
BILLING OFFICE OF A MEDICAL PROVIDER:**

*“Hi, I’m following up about my medical bill and I want to make sure that everything is correct with my account.”*

*“Please send me a copy of my itemized bill.”*

*“May I please speak with the Manager of Patient Accounts or the Manager of Credit and Collections?”*

*“Please put my bills on hold and update the status of my account to ‘pending’ while I review the details of my account.”*

## Provider and Public Financial Assistance

### Asking about Financial Assistance

- You may be eligible for medical provider-based financial assistance that will help to pay past medical bills
- Call the provider's billing office and request a written copy of the Financial Assistance Policy (FAP)
- Ask for a copy of the Financial Assistance Application
- Look at your medical bills: do they mention availability of "financial assistance programs"?
- Every non-profit hospital is required by federal law to have a Financial Assistance Policy (FAP).
- Many other medical providers such as ambulance companies, doctors' groups, and laboratories, including some for-profit providers, also offer financial assistance

### Hospitals and financial assistance policies

While most hospitals offer financial assistance to their patients, **non-profit hospitals** have extra responsibility to do so because they receive tax breaks

- The Affordable Care Act (ACA) required non-profit hospitals to create Financial Assistance Policies (FAPs) and make them widely available to the public. These rules require hospitals to:
  - Post their FAP and application for financial assistance on their websites in multiple languages, as well as give out these materials upon request
  - Limit the amounts they charge patients who are eligible for financial assistance
  - Make "reasonable efforts" to determine patients' FAP eligibility before taking "extraordinary collection actions," including sending bills to collections
  - Conduct community health needs assessment (CHNA)
- The American Hospital Association (AHA) has released guidelines for hospital billing and collection practices. <https://www.aha.org/standardsguidelines/2020-10-15-patient-billing-guidelines>. The guidelines say:
  - Hospitals should offer discounts to patients who cannot afford their bills
  - The hospital should have publicly available information about financial assistance
- If hospital personnel do not know details about the FAP or the AHA guidelines, ask to speak with a billing manager who knows about them
  - Inform the hospital that you know about the guidelines
  - Ask to see a copy of the hospital's FAP and financial assistance application

## Negotiating Your Bill

### Negotiating with providers: why it is worth a try

- Medical bills can contain errors
- Uninsured people are expected to pay the highest prices, but the charges are often negotiable
- Insured people with uncovered services may be charged like they are uninsured
- People with different insurance products may be expected to pay different amounts for the same services
- You might be eligible for financial assistance and not know it
- Providers may want to get something rather than nothing

### Tips about negotiating discounts

- Medical providers often offer payment discounts and may completely forgive bills in some cases
- Always ask for a discount
- Explain hardships that you face—a personal story can make the difference
- Build relationships with billing managers

### SUGGESTED LANGUAGE TO USE WHEN NEGOTIATING BILLS

*“I would appreciate it if my charges could be reduced to the NEGOTIATED RATE—the amount that private insurance companies, MassHealth, or Medicare would pay for the services.”*

*“I want to pay my medical bills but the charges are unaffordable.”*

*“Could we settle the account for a discounted price?”*

*“I can afford to pay \$\_\_\_per month.” (name a discounted price that you can reasonably afford)*

## Negotiating Your Bill (cont.)

### Negotiating payment plans with a provider

- Decide in advance how much you can realistically pay per month for each bill.
- Many providers ask patients to pay an entire bill within a set time period: six months or two years, for example
- This time period is often negotiable
- Ask for **interest-free** payment plans
- Only agree to a payment plan that will be affordable **every** month
- Get written agreements for payment plans from providers
  - **Caution:** you can be sent to collections if you are paying every month but do not have a payment plan agreement
- Request monthly statements that record payments and the remaining balance

### Summary of negotiation tips

- Ask for written copies of your provider's FAP and application - apply for financial assistance!
- Speak with a Manager of Credit and Collections or Manager of Patient Accounts
- Get an interest-free payment plan that you can afford every month
- Build relationships with billing managers
- With hospitals, call attention to the Affordable Care Act rules for non-profit hospitals and the American Hospital Association (AHA) guidelines when asking about financial assistance
- Do not be afraid to offer a negotiated price and pay off the discounted amount in full, if possible

### SUGGESTED LANGUAGE TO USE WHEN NEGOTIATING PAYMENT PLANS WITH A PROVIDER

*"I want to pay my bills, but I don't have the money to pay them all at once."*

*"Please send me monthly statements showing my payments and remaining account balance."*

*"May I please set up an **interest-free** payment plan?"*

*"Please send me written confirmation about this payment plan."*

*"I can pay \$\_\_\_\_\_ per month. Can we agree to that amount?"*