

# RIP MEDICAL DEBT

**Any illness can cause financial shocks. This is especially true for novel coronavirus disease, COVID-19.**

## **Below are tips for things you can do to reduce your risk of generating unpayable medical debt**

**Stay Safe** — Obey local, state and federal guidelines to avoid being infected or possibly infecting others.

**Understand Your Health Insurance** — Be clear on the terms and conditions for co-insurance, co-payments, deductibles, out-of-network costs. Read the fine print.

**Are you Underinsured or Uninsured?** — Your insurance policy deductible should not exceed five percent of your gross income. If your deductible is higher, then you are *underinsured*. COVID-19 could cause financial hardships that endure for years. If you cannot pay for full insurance, the Affordable Care Act marketplace may help if you can afford it. Be sure to ask 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, like the ambulance, emergency room, radiologists, and clinical laboratories. A hospital may be in-network, but every provider there may not be. You may get a “surprise bill” up to ten times higher than in-network charges for the same services.

**Examine Itemized Bills Carefully** — Medical bills often contain errors, so insist upon receiving an itemized bill rather than a summary statement. Do an internet search for “reasonable and customary charges” for each of the procedure codes on your bill. Compare these to your charges. Billing mistakes usually are due to miscoding, but wait 30-45 days before calling since it often takes three months for insurance billing to go through. This also applies to Medicaid and Medicare statements.

**Visit the ER only in a Real Emergency** — Call your doctor if an issue is not life-threatening. Go to the Emergency Room only if your doctor says to go. To avoid issues with your insurance, document the doctor’s office advice or referral to visit the ER. Note the day and exact time you spoke. Ask for a notation in your records that your condition warranted an emergency visit.

**Beware of Facility Fees** — Before you incur COVID-19 bills, ask if any hospital-owned practices will charge a “facility fee” above any service charges. Fees may apply to any office, on or off the hospital campus, or if a doctor is “affiliated” with a hospital. If there is a facility fee, ask if your procedure can be done at a location that doesn’t charge a fee. Ask before any service is rendered since fighting it afterwards is often impossible.

**Always File Out-of-Network Claims** — Insurance companies can process and pay out-of-network bills as much as seven years after a bill was generated. You can be reimbursed well after a bill was paid, so always submit out-of-network charges to your insurance company. Do not ask a doctor or hospital to file the claim for you. It’s not in their interest to do so. They’ve already been paid.

**Check Eligibility for Charity Care** — In advance of a hospital visit, search its website for its “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 paying 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.

**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.

**If on Medicare, Get a Good Supplemental Plan** — Medicare only covers 80 percent of an authorized charge. If you can afford a Medicare supplemental plan, be sure to buy one. That 20 percent can mean the difference between solvency and hardship if you get sick from COVID-19.

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## A SURVIVAL GUIDE FOR COVID-19 MEDICAL BILLS

**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.

**Always Pay On-Time** — Try to avoid missing payments. Inform a creditor if you are going to miss a payment, or your circumstances change, affecting your ability to pay.

**Don't Pay with Credit Cards or Loans** — If you pay any medical bill with a high-interest credit card or payday loan, such financial instruments may cost you double the actual debt unless repaid quickly. Instead, make 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 who and what to pay.

**Start or Max-Out Your Health Savings Account** — Save money for future medical expenses in a federally insured tax-free account to use as you wish for self-pay medical care, such as COVID-19 testing. You own and control the money in your HSA, not your employer or insurer. Fund the maximum annual contribution to an HSA.

Once on Medicare, you can't contribute, so start now (but stop funding the HSA six months before joining Medicare to avoid issues). An HSA can pay for itself.

### FOR CAREGIVERS

**Get The Caregiving Tax Credit** — Under the Credit for Caring Act, eligible family caregivers can get a tax credit for 30 percent of qualified expenses above \$2,000 paid to help a loved one. The maximum credit amount is \$3,000.

**Get Compensated as a Caregiver** — Programs exist to ease the added expense and lost income of being a family caregiver. These programs include long-term care insurance, Medicaid, or worker's compensation. If the receiver is older, an attorney can help you draft an "eldercare contract," normally between family members, outlining care duties, providing a way for the caregiver to be paid. This lets the family pool resources to pay for a caregiver, especially if a caregiver must stop working to help a pandemic sufferer. If the receiver is a veteran, Veteran Directed Home and Community-Based Services may pay the vet's family members to be caregivers.

**Use Medicaid-Paid Caregiving Programs** — Your state may offer ways to get paid for taking care of a family member, friend or neighbor. Also, most state Medicaid programs offer some form of self-directed care, used by 800,000 patients nationwide. Ask your local office. Your gift service as a caregiver should not cause you harm.

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**NOTE:** These educational tips are not comprehensive and should not to be considered legal or professional advice. The tips can help save you and your family from medical debt hardships related to COVID-19. May you stay well!



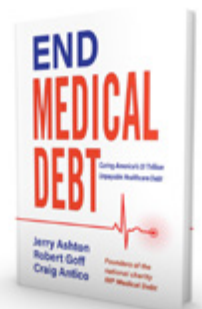
### Helping COVID Heroes Fund

Help relieve the medical debt of those on the front lines of the pandemic and those facing hardship from the COVID-induced economic downturn.

[Donate at RIPMedicalDebt.org](https://RIPMedicalDebt.org)

### End Medical Debt

The #1 Amazon health policy bestseller by the founders of RIP Medical Debt. RIP has abolished more than \$1 billion in unpayable medical bills for communities across America. **Authors donate all book royalties for debt relief.**



[Visit EndMedicalDebt.com](https://EndMedicalDebt.com)

Also available on Amazon, BN.com and many others

# Guideposts

## How to Cope with Medical Debt March 2021

The burden of medical debt can isolate a person from help, hope, and healing. There is a better way. Here's what I learned:

- Don't feel bad about trying to get well. Americans spend \$3.8 trillion per year on health care, and some 137 million of us suffer financial hardship from medical bills. Americans borrowed an estimated \$88 billion last year to pay health costs.
- The strengths, skills and faith that sustained you through illness will serve you now. You are more creative and resilient than you think.
- Don't isolate yourself or avoid the problem. Admitting your situation to just one friend can be empowering.
- If you are unable to tackle the medical bills yourself, whether because of illness or lack of know-how, ask a trusted friend, relative or professional for help.
- Don't delay. Explaining your situation to healthcare institutions early in the process makes it much easier to negotiate new payment arrangements or a reduction of the bill.
- Approach health-care business offices with an open mind. Most shared your goal of resolving your debt and can offer solutions and even remove duplicate or erroneous charges.

Submitted by Roberta Messner

P.S. Give something to someone else every day. You may not have extra money, but you always have resources. A word of encouragement, a good book to pass along, a prayer. Even if all you have is a candy bar, share it with another person. Doing so will show you that you have enough. With God in your corner, you are enough.