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## 4 tips for health care savings

By Paul Bomberger

### Highlights

- Flexible spending accounts can trim yearly tax bill.
- Shopping around yields savings on care, prescription drugs.
- Retail health clinics sometimes provide basic services at lower rates.

Consumers with health insurance typically don't ask for a price when going to the doctor or the hospital for health care services, experts say.

"We in our daily lives look for a deal, trying to save money," says Martin Rosen, a former health insurance company executive and co-author of "The Healthcare Survival Guide."

"As it relates to your health care, if you did the same thing by shopping around, you'd save a lot of money."

"It's not good enough to stay in-network; you really need to ask the price from each in-network provider." Rosen and other experts suggest the following ways to reduce health care costs:

### Open a flexible spending account

These work-based accounts enable you to set aside an amount of money annually to be deducted on a pre-tax basis from your paycheck each pay period. The money then can be used to pay for just about anything your medical insurance doesn't cover, ranging from office and hospital co-pays and deductibles to contact lenses and aspirin.

Setting up a flexible spending account to cover out-of-pocket medical costs is "the no-brainer people need to do," says Michael Goodheim, founder of the Seattle-based health care consulting firm Farsighted Strategies.

An FSA does come with a catch: You must use all the money you set aside within the plan year or you will forfeit the money. Under federal law, your employer has the option to give you 2.5 more months to use the money in the next year.

### Make sure medical providers are in-network

Health insurance carriers negotiate discounted prices with physicians, specialists and hospitals in the provider network, says Penny Miller, founder of Venture HRO, a human resources consulting firm in Wichita Falls, Texas. Miller works with employers to control health care costs.

To find out if a medical provider is in your network, call your medical insurance company before making an

appointment or go to the insurance company's Web site for a list of in-network providers, says Goodheim, who worked for 20 years in the health care industry for hospitals and big insurers.

"From a consumer standpoint, you need to know who's in your insurance network because co-pays and deductibles will be higher if they're not (in the network)," he says.

### **Shop around for health care, prescription drugs**

Dr. Jeffrey Rice, CEO of the Healthcare Blue Book in Nashville, Tenn., says medical providers often charge varying prices for the same procedures.

He developed a pricing tool so consumers can compare prices via ZIP codes for many medical procedures. You can find this pricing tool online at [healthcarebluebook.com](http://healthcarebluebook.com).

"It's not good enough to stay in-network; you really need to ask the price from each in-network provider," Rice says, noting that most people's medical plan forces them to pay at least 10 percent to 20 percent of the provider's cost for an office visit or procedure.

When it comes to prescriptions, generic drugs cost less money than name-brand counterparts. Drugs are often cheaper at local supermarkets than they are at the local pharmacy. Finally, using mail-order services for 90-day supplies can also save you cash.

### **Look for cheaper sources of basic services**

Rosen says things like flu shots, physicals and cholesterol and blood tests are usually cheaper at walk-in retail clinics rather than your doctor's office.

Consumers also can sometimes save money by having their blood drawn at a provider of clinical laboratory services such as Quest Diagnostics. Check with your health insurance company first, however, to make sure your plan will cover such services.

Visiting an urgent care center also may save you money. Cindy Holtzman, director of operations for Medical Refund Service Inc. in Marietta, Ga., helps consumers recover money from medical-billing errors. She says urgent care facilities often are less expensive options for routine X-rays.

However, Holtzman emphasizes the need to make sure your health insurance plan will cover health care costs at an individual urgent-care center before walking in the door.

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