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## How to negotiate your medical bills

By Lita Epstein

Bert Martinez found out five years ago that his chronically ill daughter's medical bills would top \$50,000 a year -- an amount the father of five children could not afford.\* So Martinez quickly learned the art of negotiation. Soon he was haggling and bartering with doctors, hospitals and other medical providers, often getting reductions of 25% or more off his daughter's and the rest of the family's medical bills.

"About 60% of doctors will give a discount," Martinez says. Sometimes he's able to negotiate a fee upfront working directly with the doctor or the manager of a large practice. Other times, Martinez, who specializes in sales and marketing training, barter for his family's health care needs by offering to streamline the doctor's business or improve the marketing section of their website in exchange for medical care. He's even posted ads on Craigslist offering his service in exchange for specific medical care needs, such as physical therapy.

But negotiating upfront is Martinez's preferred method of cutting medical costs. The key to success, he says, is to ask for the decision maker, know what type of financial help you need and how much you can afford to pay upfront or in monthly installments -- then ask for less than you can afford.

Suppose you can afford to pay \$100 per month until the bill is paid off -- you should offer to pay \$80 per month so you have some financial wiggle room. Always remember, says Martinez, "it's not personal, it's business," and conduct yourself as though you're negotiating a business deal.

Even if he's checking a family member into the hospital, Martinez will ask for the person in charge, such as the finance manager or revenue manager, and strike a deal as part of the check-in procedure. He'll work out a discount, as well as a payment plan before his family member is admitted. course, not every medical practice or hospital is willing to negotiate. In that case, Martinez will seek medical care elsewhere.

Mark Rukavina, executive director of The Access Project, a nonprofit that educates people on how to negotiate medical bills and insurance claims, says the most important thing to do is communicate with the medical provider. "Don't ignore bills, hoping they'll be resolved at some point in the future, whether you are insured or uninsured," says Rukavina. Instead, ask for a discount. Insurance companies get discounts of 30% to 40% or more, and you can fight for the same discount. But, like Martinez, Rukavina cautions that you shouldn't agree to terms you can't afford. If you don't pay according to terms, all your time spent negotiating could be for nothing.

If you are uninsured, you're likely being billed at a much higher rate than any insurance company. "You have a lot of wiggle room" when negotiating, Rukavina explains. You can call the Access Project for help, but its model is one of self-advocacy. They'll help you find the information you need in order to advocate for yourself.

If you're not comfortable negotiating or have a hard time sorting through complex medical bills on your own, you can turn to paid medical advocates, which typically charge a percentage of what they save you. Medical Cost Advocates charges 35% of the amount saved. Health Advocate charges 25% to negotiate bills. It also works on an hourly basis (charging \$120 per hour) to help people with specific needs, such as finding a specialist or disease management assistance. The company will contract directly with major employers that pay \$1 to \$5 per employee for guidance on navigating the health insurance maze. Health Advocate's "Healthcare Survival Guide" offers some tips on cutting medical costs that you can download for free.

There are also medical bill experts who will negotiate your bills for you. After seeing a client's medical bills and determining how much time it will take to negotiate the bill lower, Judy Medeiros-Mitchell, who's based in New York City, sets a flat fee upfront. She has negotiated bills as high as \$50,000 for \$500.

Medeiros-Mitchell also advises people on how to negotiate medical bills themselves for free if she thinks it's a relatively simple bill to deal with and they want to try. She explains that most of the battle is in knowing how to find the right person to speak with. And if you offer to pay cash upfront, the practice won't need to do any paperwork, which can work to your advantage. Another key to negotiating successfully is to know what the provider will get paid after the insurance company takes its discount.

To figure out that information, visit Healthcare Blue Book, a website developed for the uninsured and underinsured that provides the data they need to negotiate prices. At the end of May, a new website developed by Alex Fair called FairCareMD is expected to launch that will help you find a doctor willing to negotiate in your area.

\*Martinez requested that his daughter's specific medical condition not be disclosed, to protect her privacy

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