

healthsmart!

How to Prevent and Solve Medical Billing Problems

Often the most difficult part of an illness or hospitalization is the bill that arrives afterward. Before you really begin to feel like yourself again, the bills—not to mention all those statements that say “this is not a bill”—begin arriving in the mail.

Medical bills can be difficult to read at best and even a short hospital visit or outpatient procedure can generate a number of them, as each physician involved in the case—plus the facility itself—bill separately for their services. Add to that the need to understand your health plan’s coverage, and it’s enough to make a person sick all over again.

And when a billing error does occur, getting it straightened out can take a lot of effort.

The best cure is prevention. Knowing what causes the most common medical billing errors can help you prevent them from happening to you. A few easy tips can help you understand the bills you receive, check them for errors, and, if errors have occurred, help you resolve them with as little stress as possible.

Make sure the document is actually a bill.

You may receive a statement saying “\$0 balance due,” “No payment is required at this time” or “Your insurance has been billed.”

Carefully read every bill or statement.

You may receive bills from a doctor, insurance company and hospital. Do not assume your insurance plan will cover all costs.

Make sure you are covered.

Check with your benefits manager if you have recently been hired or changed plans.

Always get the name and phone number of any office billing staff you speak to.

Note the date and time of the conversation. If you are not satisfied, ask to speak with a supervisor or ask for a face-to-face meeting. If the problem persists, write a letter—insurance companies, hospitals and HMOs must respond to formal written appeals.

Save all documentation.

Keep all invoices, receipts, billing statements and bills, as well as copies of checks and notes of any conversations you have had with billing staff, in case you need to refer back to them.

Verify your contact information.

Always ask the registration staff to read back your current address and telephone number to make sure the billing staff has the correct information should questions or problems arise.

Address problems promptly.

Always call as soon as you notice a billing problem or if you do not understand the bill. The sooner you bring it to someone’s attention, the easier it will be to track and resolve. Keep a record of steps you took.

Ask to be copied on all correspondence.

No matter what the cause of a billing problem, ask your doctor's office, hospital and health plan to send you a copy of any letters they send out regarding the problem.

Always pay your bill to avoid being turned over for collection.

If you cannot afford to pay at the moment, call your hospital or doctor and work out a payment plan. You may also be eligible for state, federal or local funds that help cover hospital bills.

Be persistent.

If you wait too long, it becomes harder. If you are not satisfied with answers, keep calling back or schedule face-to-face meetings. If, after repeated attempts to resolve your problems, you are still unsatisfied, contact your state managed-care ombudsman program.

Common Problems

Incorrect insurance card

The majority of billing problems are due to the use of an outdated insurance card or to an insurance card not being presented at the time medical services are received.

It is very easy to use an outdated insurance card, as health plans issue new cards regularly, employers often change health plans and employees often change jobs.

- **Prevention:** As soon as you receive new insurance cards, file the old cards away in case an old claim comes up for discussion. Keep only current cards in your purse or wallet. Keep copies of your cards in your wallet or purse, car, in a file at home and at the office. Your next of kin or your primary family caregiver should also have a copy of your most recent insurance cards in case of an emergency.

- **Solving the problem:** When you first receive the incorrect bill from the hospital or physician's office, call the number on that bill to provide the correct insurance information for rebilling. Make a photocopy of both sides of the correct insurance card and mail it, with the bill, to the provider.

Failure to obtain pre-certification

Another common cause of billing problems is the failure of the consumer or the provider of service to obtain precertification for a procedure or admission. Most health plans and insurance companies will not pay for particular services if they do not give approval in advance.

- **Prevention:** Know your benefits. It is important that you make sure the doctor's office or hospital obtains precertification when necessary. Ask for verification in writing that this step has been done and the procedure approved. Read both sides of your insurance card: It may contain valuable information about precertification, often including the need to contact your insurance plan within 24 hours of visiting the emergency department.
- **Solving the problem:** Call your insurance plan's membership or customer service line to explain the situation. If this is not helpful, ask your doctor's office or hospital billing office to call your insurance plan. You could also talk to your company's human resources benefits manager since they purchased the plan.

Failure to provide information for supplemental or spouse insurance

Make sure you give the provider of your medical services all relevant insurance information. If you are covered by more than one insurance plan, be sure to provide this information. This is particularly true if you have Medicare plus a supplemental policy or if, in addition to primary insurance, you are covered by a spouse's insurance. If this information is not disclosed at the time of the visit, the doctor or hospital cannot bill those plans.

Call UK Health Connection at 859-257-1000 or toll free 800-333-8874 to make an appointment or request a referral. Visit us online at ukhealthcare.uky.edu.

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- **Prevention:** Make a list of all your health insurance identification numbers and keep them in your wallet or purse. Make sure you give this information to the registration staff at the doctor's office and hospital admitting office at the time of service.
- **Solving the problem:** Contact your hospital or doctor's office with your additional insurance information when you receive your first bill.

Confusion over multiple bills

Following a single hospital experience, you can expect to receive a bill from each provider. This may include the emergency department, radiologist, admitting physician, consulting physician and anesthesiologist, as well as the hospital itself.

- **Prevention:** As you receive the bills, a good first step is to determine where each bill came from and develop a file for each provider. Keep a good record of which bills you have paid, the check number and the date the payment was mailed.
- **Solving the problem:** If you receive a bill and do not understand either the reason for the bill or the actual charges, contact the provider of the bill directly. The telephone number can be found on the bill you receive. One good way to organize multiple bills is by the date of service, which is listed on all invoices. Be careful not to confuse the date of service (which stays the same) with the invoice date.

Failure to understand benefits

Because of the complexity of insurance plans, patients often do not understand what procedures and services are covered or what their co-pays are.

- **Prevention:** As difficult as it is, you need to read and understand your plan benefits. Read your manual and highlight key information. Look for terms such as "medically necessary" and "exclusions." Review anything that is not clear to you with your benefits department.

- **Solving the problem:** If you are having difficulty understanding the benefits when you are choosing an insurance plan, you should contact your employer's benefits manager for clarification. If your question is regarding your existing insurance plan, contact your insurance company directly for assistance.

Insurance payment is different than expected

While only a small percentage of claims are paid incorrectly, it does occasionally happen.

- **Prevention:** Know your benefits. Before a planned hospital stay or an outpatient procedure, call your insurance company to confirm your benefits. Your insurance representative will be able to give you an estimate of what should be covered. Make sure your physician and hospital have the correct insurance information on file.
- **Solving the problem:** Keep all records of your bills. Talk to your insurance plan as soon as you notice a problem. If you have been wrongfully denied coverage, you have the right to appeal the insurance plan's decision and they must reply within 90 days. It is important to note that your appeal must be made within 60 days of claim denial.

Special Consumer Billing Services for UK HealthCare Patients

Medical bills at UK HealthCare are handled by two different offices.

- Questions about your UK HealthCare bill should be directed to the Patient Accounts department between 8 a.m. and 4:30 p.m. Monday through Friday. Call **859-257-8111** or **1-800-288-2779**.

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- Questions about your UK doctor's bill should be directed to Kentucky Medical Services Foundation, Inc. (KMSF) between 9 a.m. and 4 p.m., Monday through Friday. Call **859-257-7900** or call the number listed on the front of your bill.

Financial counselors are available to help you explore payment options, including eligibility for financial assistance. The Hospital Financial Counseling Services Office is open Monday through Friday from 8 a.m. to 4:30 p.m., for those wanting to talk face-to-face with a counselor. For additional information, call **859-323-5806** or visit room C101, located on the first floor of UK Chandler Hospital. A KMSF financial counselor can be reached at **859-257-8618** between 8 a.m. and 4:30 p.m.

Other resources: Your state's insurance commission office can also be a resource if your problem lies with your health plan. In Kentucky, the phone number is **1-800-595-6053**.

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