

AT&T Ameritech /SBC Retirees - We are AASBCR®

Blue Bulletin

VOL 014 NO 008, July, 2019

Bulletins and websites are paid for by AASBCR® members. Please do not share with non-members. Instead encourage retiree friends to join and support AASBCR®.

Surprise Charges on Hospital Bills

Added charges on hospital bills can come as a real shock. How does it happen? In an emergency, a patient may wind up at a hospital ER that's not in their insurer's network. Even at an in-network hospital, individual emergency physicians or anesthesiologists may not have a contract with the patient's insurer.

Sometimes for a scheduled surgery at an in-network hospital, not all the doctors involved may be in the patient's plan. The out-of-network doctor or other health care provider then bills the patient directly for the difference between what the insurance company will cover and what the provider charges, often adding up to excessive amounts. These bills hit patients and their families when they're most vulnerable. If the location has a large system of hospitals and doctors, the patient is more likely to find out-of-network charges on their bills. When the patient lives in a more rural area with fewer doctors and hospitals, the chances are less likely.

What to do to put the odds back in your favor?

- Check with your insurance carrier regarding their policy on emergency stays at an out of network hospital BEFORE you need a trip to the ER.
- When having surgery ask about every doctor that will be involved including the anesthesiologist. Find out if they are in your network. If not, you may want to request a change of doctors.
- Always verify each and every facility and doctor that will serve you. Check with the insurance carrier to be sure the doctors/facilities are in your network. **Do not rely on verbal assurances from staff.**

Congress is now taking up legislation aimed at closing loopholes that allow out-of-network providers to bill unsuspecting patients with huge charges. The Senate Health, Education, Labor and Pensions Committee plans to vote on bipartisan legislation that would limit what patients can be charged to their in-network deductibles and co-pays. The bill would require insurers to pay out-of-network doctors and hospitals the median or midpoint rate paid to in-network providers.

PO Box 110355 Cleveland OH 44111-0355 Phone/FAX (312) 962-2770 <http://aasbcr.org/>

This communication is Private and Confidential. It is intended only for viewing by AASBCR® Members. Copying or forwarding of this communication is not authorized by AASBCR®.

Another area where surprising charges sometimes appear in the case of Medicare patients is when a doctor orders "observation services" to determine whether a patient should be admitted to the hospital or discharged. The difference between inpatient and observation status is important because Medicare pays different rates according to each status. Patients admitted under observation status are considered outpatients, even though they may stay in the hospital for several days and receive treatment in a hospital bed. If a patient requires immediate rehab care at a skilled nursing facility and is in the hospital under observation, Medicare will not cover the rehab costs.

The rules mandate that hospitals cannot officially "admit" you as an inpatient unless you meet the medical criteria for admission. If, in the doctor's view, you don't meet the medical criteria for admission, but a brief hospital stay is still warranted to monitor your condition - you're placed on "observation status." **This can even apply if you're in the hospital for routine joint replacement with private insurance and are scheduled for discharge after one night.** You're in the hospital, but you're not technically admitted.

Patient advocate groups call this requirement a Medicare loophole that does a disservice to aging adults. But a law called the NOTICE Act requires hospitals to make sure you understand the difference. The law requires hospitals to tell you verbally and in writing, within 36 hours of putting you or a loved one on observation status. But, you don't have to wait for the disclosure. As soon as you get checked into the hospital ask:

- Am I inpatient or observation?
- How long are you keeping me?
- Will I need specialized rehab or skilled nursing care after I'm discharged?

It's wise to ask what specific guidelines were used to decide that you should be in observation status rather than inpatient status. You might also ask what types of treatments, test results, or symptoms would have qualified you for inpatient status with this same diagnosis. Additionally, consider asking to speak with someone from the billing office in order to estimate your out of pocket costs, whether you're in observation status or an inpatient.

Following these suggestions may save you a lot of grief and money.

[AASBCR®](#) always working for its retiree membe

PO Box 110355 Cleveland OH 44111-0355 Phone/FAX (312) 962-2770 <http://aasbcr.org/>

This communication is Private and Confidential. It is intended only for viewing by AASBCR® Members. Copying or forwarding of this communication is not authorized by AASBCR®.