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Managing the Cost of Cancer Care

Cancer treatment can be costly. Sometimes cancer patients have a hard time handling the physical aspects of treatment and managing their finances, and often have no one else at home who can take over. Debt and the stress of debt management can prevent a person from getting all necessary treatment or even eating an adequate diet, which makes recovery more challenging. It is important to understand your financial situation and your options in order to make the best decisions. Below are some strategies and resources that can help a patient to both avoid debt and deal with debt that he or she already has.

BEFORE TREATMENT

Tips to avoid getting medical bills

1. Check which doctors and health care providers and services are covered before making an appointment

If you are in a Managed Health Care Plan (HMO or PPO), read your Evidence of Coverage (EOC) booklet that explains the rules of your health insurance plan. Also look at any preferred provider lists to see which providers are covered by your plan. Before you make an appointment, make sure that your health insurance plan will cover the services you need. You should have a Summary of Benefits from your plan that tells you which services are covered. Some services require “pre-authorization” from your health insurance company before you receive services, which can take some time. Your providers can typically help you with that process.

2. Tell your providers if you have health insurance

Always take your insurance card to doctor appointments and to the pharmacy. Make sure you give your card to the staff when you check in for your appointment or pick up your prescription. This is how they will know to send your bills to your health plan. Ask the person who is assisting you to make a copy of your insurance card, if they do not ask to do so.

If you have more than one kind of insurance, be sure to let them know. Some people have both Medicare and Medicaid or have a supplemental insurance policy. It is a good idea to ask your doctor if he or she will pass on your insurance and contact information to secondary providers like laboratories or imaging facilities.

3. Keep your contact information current

Make sure that your health care providers have your current contact information, including your address and a phone number where you can be reached. Your health care providers include your doctor, your pharmacy, your Medicaid worker (if you are on Medicaid), and your health insurance plan.

4. Read health forms carefully before you sign them

Do not sign anything that you do not understand. If you do, you might be agreeing to pay for services and treatments without knowing it. It is okay to ask your doctor or provider questions about any forms that you are asked to sign.

5. Look into getting your medical costs covered by an outside source

COBRA
If you recently lost health insurance coverage through an employer, you might be able to get COBRA coverage. COBRA is a federal law that lets you keep your health insurance plan after you leave a job or after you lose insurance you had through your spouse's or parent's job if you elect this within 60 days. If you choose to elect COBRA coverage, you will have to pay the health insurance premiums. These are often expensive, but may be less than paying a large medical bill.

Purchase New Insurance Through Your State's Exchange
Beginning January 1, 2014, health insurance companies will no longer be able to deny someone insurance or charge higher premiums based on a pre-existing condition. Therefore, if you do not have insurance or recently lost your insurance through work, you can shop for insurance in your state's exchange – an online marketplace for health insurance. If you meet certain income levels, you may also qualify for tax credits to help with the cost of premiums. To find out more about the insurance marketplace in your state, visit www.healthcare.gov.

Worker's Compensation
If you were you hurt on the job or while you were doing something for your work, you should talk to your employer about filing a Workers' Compensation claim. Workers' Compensation pays for medical care to treat injuries that happen while you are doing something for your employer. You may also want to consider speaking with a Worker's Compensation attorney. You local or state bar association may be able to refer you to an attorney in your area.

Medicaid
To qualify for Medicaid you must have limited income and limited resources. In some states, you must also meet additional requirements, such as having a disability. If you are receiving Supplemental Security Income (SSI), you are usually also eligible for Medicaid. Eligibility for Medicaid can be retroactive for up to three months, beginning in the month before you file your application. However, you must have been financially eligible for Medicaid for each month you are requesting retroactive eligibility. If you do not qualify for Medicaid because your income is too high, check to see if your state has a "share of cost" program that requires you to pay a certain amount of money out of pocket before Medicaid will pick up your medical costs. You can call your

Department of Social Services to see if you qualify for Medicaid or Medicaid's "share of cost" program.

Medicare

To qualify for Medicare, you usually must be 65 or older and entitled to Social Security retirement benefits. There are other limited circumstances where people who are not 65 can qualify for Medicare. For example, those who have been receiving Social Security Disability Insurance Benefits for over 24 months are eligible for Medicare even if they are not yet 65.

6. Apply for free care or charity care

Hill-Burton

Certain hospitals, nursing homes and other health facilities are required to provide a reasonable amount of services to people unable to pay and to make their services available to all people residing in the facility's area. This is known as the Hill-Burton program. You can check the U.S. Department of Health & Human Services (HHS) Health Resources and Services Administrations website, http://www.hrsa.gov/hillburton/default.htm, to find a Hill-Burton facility near you. You may be eligible for Hill-Burton reduced-cost care if you have limited income.

Hospital Charity Care and Financial Assistance

Ask local hospitals for information about their charity care and financial assistance policies. You should apply as early as possible for charity care programs to avoid future debt collection problems. If the bill has already gone to collections, ask the hospital to rescind it if financial assistance is granted.

Other health care providers may offer free or reduced-cost care for people meeting their program's particular requirements. Check for providers that offer free or sliding-scale services in your area. Also, some pharmaceutical companies offer prescription drugs at reduced cost through a patient assistance program. Other ways to reduce prescription drug costs include asking for generic alternatives, and checking into mail order options.

County Medical Assistance Programs

In some states there are county-based medical assistance programs for people who cannot otherwise obtain health care. Ask your local county health department if there are any such programs in your area. If you were not told about your county program prior to receiving health services, ask the hospital or clinic that is sending you a bill why you were not screened for these programs.

AFTER TREATMENT

Strategies for reading and negotiating hospital bills

1. Request an itemized copy of your medical bill and review it

    - Verify the dates noted on the bill. Make sure they are the dates you actually received treatment.
    - Look for data entry errors. For example, an extra zero added to an item, so that 1 x-ray becomes 10.
    - Confirm that the services listed are ones you actually received, and are appropriate for your particular condition. For example, if you were undergoing heart surgery, there should not be charges for setting a broken leg.
    - Ask your provider questions if you do not understand your bill.

2. Request a copy of your medical record and pharmacy ledger

Compare your medical records to your bills. Look for procedures that are billed for, but not in your medical records, or billed for more times than they are listed in your records. Look for procedures or medications that were ordered and then cancelled, but are still listed on your bill. Look for medications or other items that were ordered, but that you refused prior to receiving. Confirm that any operating room time billed is not for longer than the surgery actually lasted.

3. Compare the bill to the hospital's standard charges to determine if there are overcharges

Some states require hospitals to make their standard charges available to the public for all of their products and services, and have limits on how much a hospital can charge people in certain income ranges. See if there is any such requirement in your state.

4. Look for items billed due to the hospital's negligence

Generally, when a hospital makes an error, the patient is asked to pay for it. For example, if an x-ray is lost or the results of a blood test are misplaced, those procedures will be redone and the patient will be billed. You may challenge these charges. Also, charges based on delays caused by the hospital should be challenged. For example, in a non-emergency situation, sometimes the hospital's own scheduling needs for tests or surgeries will result in longer hospital stays.

5. Obtain the services of a professional bill reviewer

A professional bill reviewer can offer expertise with finding errors in standard billing practices and experience negotiating a payment plan. If you have tried these techniques on your own, and still think your bill is too high, it might be time to call a professional bill reviewer, also known as a claims assistant professional. You should take this step if lowering the amount of the bill will actually make a difference in your situation. (For example, if you are in debt and are being sued, or if negotiating a payment plan might actually be possible, but you have already done everything you can think of to lower the bill.)

If you cannot easily find errors, bill reviewers can (1) check the diagnosis codes to see if an ailment has been "upcoded" to a more serious condition than what your medical record states; (2) determine if some charges were added that are already contained in other bundled charges, and (3) have the expertise to know what is beyond the industry standard. Most bill reviewers will also assist in negotiating with the provider or testify as experts in collection defense suits, if contracted to do so.

6. Negotiate a payment plan

Setting up a payment plan with your provider can be a good option when (1) the charges are legitimate, (2) you can make the payments, and (3) the debt will eventually be paid. You may want to consult a consumer attorney for advice before you negotiate a payment plan. You may also wish to contact a Consumer Credit Counseling Service for assistance with negotiating a plan.

If you decide negotiating with your provider is your best option, try to work out a reasonable payment plan, or if it is possible, offer the hospital a lump sum payment to settle your debt. You can write out an agreement in which both parties agree to a payment plan or lump sum settlement that includes removing any negative reports to credit bureaus, so that once the debt is paid off, the provider will send you a new statement that reflects a zero balance.

Tips for disputing a bill

1. Don't ignore your bills!

If you ignore your bills, your debt will not disappear. At some point your bills may be sent to a collection agency and you may not receive a statement for a period of time. Any delay in receiving your bill does not mean you are no longer in debt. You are still responsible for the charges. Furthermore, there are many consequences associated with bills sent to collection agencies.

2. Contact your health plan to find out why they did not pay it

If your health plan or insurance company should have paid your bill, find out why the bill was not paid. This will help you determine who is responsible for the bill and the course of action you need to take to resolve the issue. If there was a simple error and the health plan or insurance pays the bill, make sure the charge is cleared from your account.

3. Contact the health care provider who billed you

Explain why you should not have been billed or why you were billed incorrectly. Include any supporting documents, like copies of medical records or a letter from your physician, and a copy of the bill. If you had health insurance at the time you received services, make sure the provider submitted the bill to your health insurance plan.

How to dispute your health insurance company's decision

If you disagree with a decision that your health insurance company has made regarding coverage, you may have the right to appeal that decision. The appeals process varies depending on what state you live in.

1. Understand your coverage and which laws apply

Before you begin an appeal, you should understand your coverage and applicable laws. Different laws apply to different types of health plans.

An employer-sponsored health plan is one that a person can get through his or her own employment or through a family member's employment. The employer usually makes a contribution toward the cost of the employee's coverage. An individual insurance plan is one that you purchase directly from a health insurance company. The person purchasing the insurance pays the entire premium. Different laws apply depending on whether your plan is employer-sponsored or individually-purchased.

If your plan is an employer-sponsored plan, you need to know whether it is a self-insured plan. A self-insured plan is one in which the employer does not contract with an insurance company to insure their employees. Instead, the employer does their own risk pooling like an insurance company would, and pays directly for their employees' health costs. Since self-insurance does not involve a contract between an insurance company and an employer, it is not subject to state insurance regulations. Federal laws still apply to self-insured plans.

It is also important to know what is covered and what is not covered by your plan, as well as what procedures and deadlines are required by your plan.

2. Exhaust your plan's internal appeals process

If you have a problem with your health plan, you have the right to file a complaint with your health plan. A complaint can also be called a grievance or an appeal. You may be able to file your complaint by phone, mail, or the internet.

Generally, you must exhaust your plan's internal grievance process before you may pursue external review. There may be a limit on how much time your plan has to give you their decision. If the problem is urgent, the time limit if usually much shorter.

3. Request external review

Many individuals have the right to an external review of a health plan's decision. You generally have to go through your plan's internal grievance process prior to applying for external review. In many states, you can file for external review without completing your plan's grievance process if you have filed a grievance and your plan has failed to make a final decision within a certain period of time (usually 30 days). Contact your state's department of insurance to file an external review, find out which types of disputes can be reviewed, any time limits on applying for review and what the state's procedures are for applying for review. **Also, check out our Step by Step Guide to Insurance Appeals handout – available on our website – for more information.**

Consequences of medical debt

1. Negative credit report

The status of your charge accounts, loans, and payments to creditors are contained in a file known as a credit report. When you fall behind on payments or fail to pay a bill, the creditor can report that information to the credit bureau. That information will then be reflected on your credit report. A negative report can affect your ability to get loans, buy a car, house, etc. Accurate negative information can remain on your credit for 7 years.

2. Debt sent to collection agencies

Your creditors may also turn the debt over to a collection agency. Debt collection agencies are permitted to take reasonable steps to enforce and collect payment.

3. Collection suit and garnishment of wages

If you are unable to negotiate a payment plan, you may be sued in court for any outstanding debts. A creditor may be able to get an order requiring your employer to withhold a portion of your wages to pay your debts. Federal law protects employees by limiting the amount of earnings that may be garnished in any workweek or pay period. Note: Social Security benefits generally cannot be garnished. (Some exceptions are for state and federal taxes and child support obligations) per 42 USC 407 & 1383(d).

4. Repossession

If you have an item that you bought with a secured loan (like a car), the creditor may take the item back if you cannot pay your bill.

If you fall behind on payments for your home mortgage, you may lose your home through foreclosure. A foreclosure is a sale where the property is sold to satisfy the debt in whole or in part. You should first contact your lender to find out if you can refinance your mortgage to lower your monthly payments or if there is a deferred payment program. You must be given notice before a lender may foreclose on your home. You should consult your deed of trust to determine what type of foreclosure procedures your lender has included.

5. Inability to continue receiving care from a facility

Although there are laws requiring that doctors and hospitals stabilize patients who have current medical emergencies, providers can refuse to continue to treat a patient if that patient cannot pay.

If you cannot pay your medical bills or copays, you might not be able to continue receiving care from that particular facility. Access to future care may be affected if you live in a rural area, where there is only one clinic or hospital where you can receive treatment.

What to do if your bill gets sent to collections

1. Prioritize your debt

It is important to prioritize your debt. Medical debt is unsecured debt and usually should not be paid before secured debt or living expenses such as food, housing (e.g. rent or mortgage), utilities or car payments. You should also be very careful about converting medical debt into secured debt, for example, by taking out a second mortgage to pay for medical bills, especially after your medical bills have been sent to a debt collector. This is important because once your medical bills have been sent to collections your credit has already been affected. It is generally discouraged to convert medical debt.

2. Access your credit report

The status of your charge accounts, loans, and payments to creditors are contained in a file known as a credit report, which can affect your ability to get loans, buy a car or house, etc. Your credit report often includes a numerical rating of your credit, known as a credit score. If you fall behind with your financial obligations your creditors may turn over the debt to a debt collector or a collection agency. Debt collection agencies are permitted to take reasonable steps to enforce and collect payment of your debts. Creditors may also report past-due debt to credit reporting agencies, which can affect your credit score and show up on your credit report and effect your ability to obtain credit in the future.

You are entitled to fair and accurate reporting of your credit information under the Fair Credit Reporting Act. However, there are no laws that protect your credit score or credit report from being negatively impacted if you become disabled. So, even if the only reason your credit score has gone down is because of high medical debt, or because you were unable to work and pay your bills during an illness or other disability, there is no legal right to repair your score by showing you have a disability.

3. Know about laws prohibiting harassment by debt collectors

State and federal laws were enacted to ensure that debt collectors treat you fairly and do not harass you. **The Fair Debt Collection Practices Act (FDCPA, 15 U.S.C. §§1692-1692p)** is a set of laws that promote honest, fair, and responsible debt collection by giving consumers specific rights. The purpose of the FDCPA is to eliminate abusive practices in the collection of consumer debts, to promote fair debt collection, and to provide consumers with a method for disputing and confirming debt information, in order to ensure the information's accuracy.

Creditor vs. Debt Collector: A creditor is different from a debt collector. A creditor is someone who extends credit to you and you owe money. A creditor may contract with a debt collector, usually a collection agency, to collect your debt if you do not make payments on time. The FDCPA applies only to "debt collectors." Creditors are not included in the definition of "debt collector" under federal law, so creditors do not have to follow the requirements of the FDCPA.

Procedures for Debt Collection: A debt collector must initially send you notice describing the amount of debt owed and the name of the creditor to whom it is owed. You have 30 days to dispute (disagree) that the debt is valid or to pay it. Once you have done this, the debt collector cannot contact you again until you are sent proof that the debt is valid.

If they contact a third party to try to locate you, debt collectors can only ask the third party for your contact information (address, place of employment, and phone number). They are not allowed to tell the third party that you owe money or contact them more than once, unless there is reasonable belief that the third party has been untruthful or to correct incomplete information previously obtained.

A debt collector must:

- Identify him or herself in every communication.
- Give you the opportunity to dispute the debt by providing you with a 30 day notice of the alleged debt.
- Provide the name and address of the original creditor, if they are not the original creditor, if you make a written request within 30 days of receiving the original debt notice.
- Provide verification of the debt if you send a written dispute or request for verification within 30 days of receiving the validation notice.
- Report any disputes you claim against the debt collector to any credit bureau.

A debt collector may not:

- Contact you at inconvenient times or places, such as before 8am or after 9pm, unless you agree.
- Contact you at your place of employment if the collector knows that your employer disapproves of such contacts.
- Harass, oppress, or abuse you or any third parties they contact.
- Use any false or misleading statements when collecting a debt.
- Engage in unfair practices when they try to collect a debt.
- Give false credit information about you to anyone, including a credit bureau; send you any falsified "official" documents or use a false name.
- State that you will be arrested if you do not pay your debt.
- State that they will seize, garnish, attach, or sell your property or wages, unless the collection agency or creditor intends to through legal means, such as a lawsuit.

Note: This is not a comprehensive list.

Please visit www.ftc.gov/bcp/edu/pubs/consumer/credit/cre27.pdf for a complete copy of The Fair Debt Collection Practices Act.

Notice to Cease and Desist Communication Letter

You can stop a debt collector from contacting you by writing a letter to the collector telling him to stop. Once the collector receives your letter, he may not contact you again except to say there will be no further contact or to notify you that the debt collector or the creditor intends to take some specific action. Although the letter will stop any communication regarding the debt, it will NOT cancel the debt. You could still be sued by the debt collector or your original creditor for the total amount of the debt.

Date
(Debt Collector Name)____________________
(Debt Collector Address)__________________

RE: Creditor: (Name of Company you owe money)
Acct No.:

NOTICE TO CEASE AND DESIST COMMUNICATION

To Whom It May Concern:

This is formal notice to cease and desist any further written or oral communication with me regarding the above-referenced account. I am unable to pay the amount demanded on the account.

I receive limited income for my basic necessities and I do not own real property. My financial situation is not likely to improve. This information is provided solely to enable you to properly assess my situation.

Be advised that under both state and federal fair debt collection laws, if a consumer notifies a debt collector in writing that the consumer wishes the debt collector to cease further communication with the consumer, the debt collector SHALL NOT communicate further with the consumer with respect to such debt.

Thank you in advance for your cooperation in this matter.

Sincerely,
DEBTOR
(Your Name)

If you believe a debt collector has engaged in unfair debt collection, you can report the collector to the Federal Trade Commission. You can also call your State Attorney General's Public Inquiry Unit to report harassing debt collectors.

4. File for bankruptcy if you cannot pay your debt

See our handout on bankruptcy for more information.

Financial assistance resources to help pay your remaining medical bills

1. Private financial assistance programs

There are many private financial assistance programs, such as Salvation Army, Lutheran Social Services, Jewish Social Services, and Catholic Charities. Look for programs that serve your community.

2. Local service organizations

Local service organizations like Kiwanis, Rotary Club, or Lions Club sometimes provide financial assistance.

3. Non-profit programs and cancer-specific programs

Non-profit organizations like the American Cancer Society, the Lance Armstrong Foundation, Patient Services, Inc., and the Patient Advocate Foundation also provide assistance. Some programs are designed to assist people with a certain kind of cancer, such as The Leukemia & Lymphoma Society, The American Kidney Fund, and The Lung Cancer Information Line.

4. Government benefit programs

Government benefit programs include state disability insurance benefits (depending on what state you live in), Supplemental Security Income, and Social Security Disability Insurance. These programs provide you with income while you have a qualifying disability. Please note that the eligibility requirements for these programs vary, and not all programs have income and asset restrictions.
