

Out-of-network costs lurk even at in-network hospitals

Lorena Martin, left, of Westchester got an unexpected bill for \$1,400 from a doctor who treated her son Robert, 18, in the emergency room for an ankle injury. (Michael Robinson Chavez / Los Angeles Times)

BY LISA ZAMOSKY

Lorena Martin's 18-year-old son, Robert, hurt his ankle playing football one recent Friday evening. He was in pain and unable to walk, and she was concerned that he'd done real damage.

Both her doctor's office and the nearby urgent care center were closed, so with no other options, she took him to the emergency room.

The hospital was in her health plan's network — she'd made sure of that. Once there, Martin paid a \$50 co-pay and later received a bill for an additional \$270, which she expected.

"That was the percentage of our responsibility" for the visit, said the 46-year-old school secretary from Westchester. "I'm cool with it."

But she was in for a surprise. Several weeks later she got a bill for about \$1,400 from the doctor who saw her son in the emergency room for less than 10 minutes.

Call the provider. Doctors recognize the burden on patients, and sometimes they'll drop the price. You can't bank on it but it's worth a try.- Betsy Imholz, special projects director with Consumers Union

"I called my insurance company and they gave me the song and dance about how this physician was a nonparticipating provider," she said. "I said, 'I went to your participating hospital. How does this make sense?'"

But she was told that the charge was legitimate and that she was on the hook for the bill.

Like Martin, millions of Americans get surprise bills from doctors who don't participate with their health plan but who practice in hospitals that do.

With no contract in place to dictate how much doctors get paid for services, they can bill patients for charges beyond what insurance covers.

The doctors are charging for the balance of the bill not covered by insurance. It's a practice called "balance billing."

"It's an abuse of the implicit trust that you have with your doctor and with your healthcare providers," said Gerald Kominski, director of UCLA's Center for Health Policy Research.

A recent report by Consumers Union found that nearly 1 in 4 Californians say they were charged out-of-network rates when they thought that a provider was in-network.

Most of these people — more than 6 in 10 — assume that doctors at an in-network hospital are also in-network, yet that's often not the case.

Federal law doesn't protect patients from surprise bills. The Affordable Care Act requires insurers to cover out-of-network emergency services at in-network rates, but it doesn't stop doctors from balance billing.

California goes further than most states to protect consumers in all HMO plans (and some PPO plans) in cases of emergency care.

"You're regarded as in-network if you go for emergency care even if some of the doctors are not contracted with the health plan. You may not be balance billed for emergency services. You are only responsible for any applicable deductible or co-payments," said Cindy Ehnes, an executive vice president with COPE Health Solutions, a Los Angeles healthcare consulting firm.

Legislation under consideration in California, if passed, would add further protections by limiting what patients receiving care under any circumstances have to pay doctors not contracted with their health plan as long as patients get care at a participating facility.

As it stands today, the healthcare system has consumers over a barrel.

"You have no control over the physicians you see even in an in-network hospital," said Jack Hoadley, a health policy analyst and political scientist at Georgetown University's Health Policy Institute.

Still, experts offer suggestions to help minimize the likelihood of a surprise medical bill and what to do if you get one.

Do what you can in advance. If you're planning surgery or another procedure in advance, ask about the team of healthcare providers treating you.

"You should have a firm understanding not only of what is involved in the procedure you'll be having, but who will be involved in providing your care," said Dr. Sam Ho, chief medical officer for UnitedHealthcare.

In practice, though, controlling who sees you at the hospital is tough, and figuring out which doctors participate with your health plan is easier said than done.

"Physicians and consumers often don't know whether the doctor is or isn't in the network, and that's a very real consumer issue," Ehnes said.

Check for mistakes. It may be that an in-network provider got recorded incorrectly in your insurer's system when your claim was processed.

"The best and simplest advice to a consumer is if there is anything that seems wrong about a bill or it's a lot of money, make those phone calls and at least there's a chance you'll get some relief," Hoadley said.

Don't pay immediately. "The one thing consumers should absolutely do is never pay the bill until they call the health plan and demand to walk through the bill with a customer service representative," Ehnes said.

If you get health insurance at work, your employer may be able to help dispute the bill.

Ask for help. One of the first calls you make should be to your doctor, said Betsy Imholz, special projects director with Consumers Union.

"I know it takes a certain amount of stamina to do this, but call the provider," she said. "Doctors recognize the burden on patients, and sometimes they'll drop the price. You can't bank on it but it's worth a try."

Also ask your health plan for assistance. Some insurers will negotiate for you with physicians to either lower or waive out-of-network charges.

File an appeal. You're entitled to both an internal appeal with your insurer and an external review by an independent third party. Your health plan must provide guidelines about how to go about the appeal process. You can also contact the California Department of Managed Health Care for help: (888) 466-2219 or visit healthhelp.ca.gov.

Martin of Westchester says she now knows she has to question everything when she goes for medical care, and still worries that it won't be enough to avoid surprise bills.

"I consider myself an educated person," she said, "but this is ridiculous."