

Pre-surgery homework can avert billing surprises

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The Associated Press

Paying for surgery these days requires more than pulling out your insurance card and hoping for the best, even for those with good insurance. Doing a little homework can help you save money in some cases and avoid surprises when bills arrive in the weeks after a procedure.

Here are some things to consider before checking in to a hospital or outpatient surgery center for non-emergency care. Be prepared to ask your doctor or insurer questions.

Will your procedure be covered?

Insurers won't automatically fork over a payment just because you're wheeled into an operating room.

They'll pay for plastic surgery if you need breast reconstruction after cancer surgery, but they often pass on covering purely cosmetic procedures, even if the reason for the disfigurement is an accident or medical procedure.

Also, some spinal fusions are considered investigational or experimental, said Kevin Flynn, president of HealthCare Advocates Inc., a for-profit company that helps patients with debt resolution and insurance disputes.

"What it means is the insurance companies aren't going to pay for it because the insurance company doesn't believe in it," he said.

Your doctor should know about the insurance coverage, but it is advisable to double check with the insurer.

Is preauthorization required?

A doctor's office also should know which procedures or surgeries need preauthorization from the insurer before they're done. Often, they take care of getting that for you.

But it is best not to assume. Better to make a quick phone call to confirm with your insurer. Note the date and time you called and get the identity of the customer service representative who helped you.

Insurers will still pay for covered procedures after the fact, but it could be a hassle, said Paul Frontsin of the Employee Benefit Research Institute.

"It will take up a lot more of your time than confirming (preauthorization) beforehand," he said.

Many outpatient procedures, such as, knee or shoulder surgeries require preauthorization because insurers want to make sure the care is medically necessary.

Is everyone involved in the procedure in your insurer's network?

If a provider is out-of-network, ask the insurer and the provider how payments will be handled. This can ward off a nasty billing surprise.

Insurers set up networks of doctors and hospitals or medical centers and negotiate reimbursement. For this in-network care, patients then may wind up paying leftover amounts such as the coinsurance or deductible.

If you use a surgery center outside this network, then your insurer will pay what it deems to be a "usual and customary" rate for a procedure. That can be much lower than the bill total. That might mean the insurer pays only 20 or 30 percent of a bill, and the patient is stuck with the rest, a practice known as balance billing.

For instance, if an out-of-network center charges \$7,000, and the insurer pays 30 percent, you may have to eat a \$4,900 bill.

What will insurance cover?

You won't know the exact bill before many procedures, but you should know insurance coverage basics so you can think about handling payments. Even good insurance can leave patients with big bills.

Deductibles, which can be several thousand dollars, must be paid before coverage kicks in.

Then there might be a coinsurance payment after that. For instance, if a surgery center charges \$9,000 for an outpatient procedure and the insurer pays 90 percent, you may be responsible for the remaining \$900.

What should you do if you have little or no insurance?

Be prepared to make a down payment before the procedure, but don't pay bills without asking questions first.

Find out whether the hospital or surgery center provides self-pay discounts or charity care options or if you can pay the Medicare rate for a procedure. A social worker or someone in the billing office may be able to help you.

"Try to negotiate because everything's worth negotiating," said Erin Moaratty, a spokeswoman for the nonprofit Patient Advocate Foundation, which helps uninsured people negotiate medical expenses.

Rates or charges also can vary depending on the surgery center, so check prices at more than one location.