

Patients Need Clear Hospital Bills—Not the Runaround!



Building Quality, Affordable Health Care for ALL New Yorkers

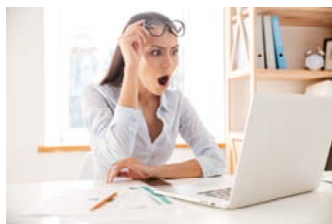
When you've become sick or gotten injured, the last thing you and your family need when you get back from the hospital is a pile of paperwork that doesn't clearly explain how much you owe, followed by hours on the phone with hospital billing departments and debt collectors. *But that's what happens to all too many consumers today!*

Here is what happened to two New Yorkers:

- After having a baby, Jen spent the next 16 months unsuccessfully trying to identify and understand all the charges on her hospital bills—including over \$8,000 for blood products she never received. Eventually, she gave up after the hospital offered to accept \$600—for what, she'll never know.
- Amanda received perplexing bills after breaking her wrist, including bills for doctors she hadn't interacted with or been notified would participate in her care. She was advised to get physical therapy, but decided against it to avoid another round of confusing surprise bills.

Like Jen and Amanda, too many patients have been victimized by bad hospital bills, including inaccurate charges, charges that can't be understood due to incomprehensible hospital codes, and bills that don't make clear whether the consumer or their insurer is responsible for the charge. And many receive bills months after their visit, or from doctors or other providers not affiliated with the hospital or who the consumer didn't remember seeing at the hospital.

Many consumers don't contest questionable hospital charges and just give up. More than one-third of patients responding to a *Consumer Reports* survey say they paid bills they weren't sure they owed, for varying reasons, including that they thought failing to pay would ruin their credit scores.



New York Needs to Fix Medical Bills!

Health Care for All New York (HCFANY), a statewide consumer coalition of over 175 organizations, supports new state legislation called the Patient Medical Debt Protection Act (PMDPA) (A8639/S6757) that provides a comprehensive solution for New Yorkers victimized by bad billing and collection practices.

One key provision of PMDPA would ensure that patients know precisely what they owe and why so that they have the opportunity to contest charges that are unfair, inaccurate, or illegal. Specifically, this proposal would require that patients receive a consolidated, itemized bill or statement from the hospital detailing the specific services the patient received during their hospital visit. This would be provided within seven days of their discharge from any hospital or their request. And the charge would have to be based on unit price data on the rates charged by the facility: for example, the standard price of a hip replacement.

Just as importantly, hospitals would be required to make clear precisely what the patient still owes. For each service, the statement or bill would have to say whether payment is pending by a third party (such as the patient's health insurer), the amount due from the patient (if anything), and the due date.

Patient bills would also have to meet these specific requirements:

- Each bill would have to specify each service billed for by the hospital itself as well as services billed for by individual providers like radiologists who worked on the patient during the hospital stay. Individual providers could not send the patient separate bills from the hospital's bill.
- Hospitals could not bill for services with terms like "miscellaneous" or "other": the hospital would have to list the specific service provided.



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- For drugs administered, the brand or generic name would have to be listed, not drug company code numbers or vague terms such as “pharmacy.”
- Bills involving physical, occupational, or speech therapy would have to list the dates, types, and length of the treatment.
- The bill or statement would have to prominently display the telephone number of the patient liaison at the hospital responsible for resolving any bill disputes.

Finally, hospitals would be required to establish policies and procedures for reviewing and responding to questions from patients concerning itemized statements or bills. All patient questions would have to be responded to within seven days. If a patient was not satisfied with a response, the hospital would have to provide the patient with the contact information of the agency to which the dispute will be sent for review.

HCFANY believes that patients are entitled to clear bills from hospitals so they know what they are paying for and they have the chance to contest any charges. And if they do raise questions, patients are entitled to clear and quick responses – not the runaround!

The PMDPA would also protect consumers from bad medical billing practices by:

- Shortening the period hospitals can sue patients for medical debt (known as the statute of limitations);
- Capping the interest rate charged by hospitals on medical debt at 3 percent;
- Broadening New York’s landmark “surprise bill” law to cover cases of provider or plan misinformation;
- Banning providers from charging patients for so-called “facility fees” that do not represent medical services;
- Requiring that all hospitals use a standard financial assistance application and appeals process; and
- Standardizing confusing and unfair patient financial liability forms that patients are pressured to sign before receiving care.

You Can Help Pass the Patient Medical Debt Protection Act!

Share your story about medical billing and medical debt with other patients and advocates by looking for We the Patients—NY on Facebook, Twitter, and Instagram. You can also email Emily at edore@cssny.org to share a story.

Do you need help understanding or correcting a medical bill, or applying for financial assistance? Call Community Health Advocates at 888-614-5400. Community Health Advocates is a free service that can help you no matter what type of insurance you have—and even if you are uninsured.

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