How Medical Debt Impacts Women in New York

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OVERVIEW OF THE ISSUE

This issue brief is the first of four to investigate how medical debt effects different populations in New York: women, members of the LGBTQ community, immigrants, and people with disabilities. Medical debt is a major problem for all New Yorkers. One survey found that over half of New Yorkers reported experiencing problems paying medical bills in the previous 12 months, and more than 75 percent are worried about being able to afford health care in the future.[1] A reported 13 percent of New Yorkers have been unable to pay for other necessities—such as food, housing, or heat—because of medical debt. Over 52,000 have been sued by hospitals since 2015, and thousands have had liens placed on their homes or their wages garnished.[2] Six percent of all New Yorkers have been reported to credit agencies for past-due medical debt, but in some counties, this has happened to as many as 23% of residents.[3]

In 2021, HCFANY conducted focus groups to learn more about how different populations in New York experience this issue. In this issue brief, HCFANY explores how medical debt affects women.

WOMEN AND MEDICAL DEBT

Women, especially women of color, are more likely to live in poverty and have chronic health conditions, making them more vulnerable to medical debt.[4] A study by the CDC found that women and were more likely to report having problems paying medical bills when compared to men.[5] The increased burden of medical debt means women are also more likely to delay care, which means serious medical problems are likely to go untreated or undiagnosed for longer periods of time. These disparities have become worse since COVID-19, as the economic fallout from the pandemic has disproportionately hurt women and their families.[6] Medical debt is a gender justice issue that affects the financial, physical, and mental wellbeing of women throughout New York.

Focus Group Description

To learn more about this issue, HCFANY act on women in New York State. The women were from New York City, and their ages ranged from 22 to 60. We also conducted one-on-one interviews with an additional eight women who live in New York City. Some of our key findings are explored below.

KEY FINDINGS

1. Women in New York are still receiving surprise bills that they should be protected from under the state's Surprise Medical Bill law.

Our focus group found that patients are still frequently liable for surprise medical bills for which they should legally be held harmless. Moreover, because many patients are unaware of the protections they are entitled to under the Surprise Medical Bill law, they are unable to advocate for themselves against these medical charges. Amanda, a 60-year-old woman from East Harlem, received an out-of-network anesthesiologist bill after undergoing surgery, even though she was at an in-network hospital and had no way of knowing the anesthesiologist would be out-of-network. Tanisha, a 22-year-old recent college graduate from Brooklyn, received a $1000 bill after she unknowingly went to an out-of-network emergency room. In an even more egregious example, a young mother we interviewed named Susan received a surprise bill from an out-of-network laboratory. When she tried to dispute the charges, she was told that she was obligated to pay the full cost because a financial liability form she signed included fine print that held her responsible for all out-of-network costs. The Surprise Bill Law expressly prohibits these types of surprise bills, yet the patients still had to pay out of their own pockets.

2. Women in New York want health care providers to be more transparent about pricing.

All focus group participants expressed frustration that, as patients, they often have no indication of how much a health care service will cost them until they receive the bill in the mail. Tanisha expressed confusion that the cost for the same procedure can vary so much between different hospitals, and wondered if some hospitals are unfairly charging their patients. Amanda said she wishes hospitals were required to work with insurance companies to provide "ballpark [cost] estimates" for procedures ahead of time so patients are not blindsided by unexpected bills later.

Similarly, Jessica, a 36-year-old woman from Manhattan, expressed frustration that explanations for cost-sharing rates often include technical jargon that is difficult for laypeople to understand. "One time, I asked [about the cost] for an out-of-network provider," she said. "My insurance [said they] cover 60 percent. So I had in mind that I'm paying 40 percent [of the total cost]. When I got the bill, it was more than 40 percent. When I called the insurance, they said, 'that's because we cover 60 percent of the Medicare rate.' How am I supposed to know how much the Medicare rate is?"

Emma (24, Manhattan)

"I took all the precautions, I checked all of the boxes that I needed to check, and I still got this [surprise] bill in the mail."

3. Women in New York are often held liable for out-of-network costs incurred because of misinformation from a provider or health plan.

Many women told us that they often checked with their health plan or provider's office to ensure that a new health care provider was in their network, only to receive an expensive out-of-network bill later because they had been provided inaccurate information. We spoke to Susan from Harlem who received an out-of-network surgery bill for $33,000, despite confirming with both the provider's office and her health plan's online provider directory that her surgeon was in-network. She later found out that the surgeon had just recently left her insurance network, and she information she received was outdated. A 24-year-old young woman named Emma similarly received a $900 bill after she underwent an abortion at an out-of-network facility, even though her insurance company had confirmed to her over the phone that the facility was in-network. Both women had to pay the price for other people's mistakes

4. The large-scale shift from in-person appointments to telemedicine has created billing confusion.

Since the beginning of the COVID-19 pandemic, many health care providers have increasingly relied on telemedicine to continue providing care to their patients. However, some providers are now charging patients for phone conversations the same way they would for an in-person appointment—without notifying the patient ahead of time. Patients are surprised to receive a bill for what they thought was just a quick phone call with their doctor. Often these phone calls require a in-person follow up visit, that results in the doctor's office seeking second co-payment for what is essentially the same episode of care.

Jessica is a 36-year-old woman from Manhattan who lives with a chronic gynecological condition. She occasionally sees a gynecologist who specializes in her condition. However, this gynecologist is out of her insurance network, so Jessica tries to minimize the number of appointments with this doctor to avoid draining her savings account.

In March of 2020, shortly after the pandemic first hit New York, Jessica reached out to her gynecologist with a question about her prescription medication. "I called the office and I asked if she was available because I had a question," she recalls. "They said she was available and they put me through to the doctor." The phone conversation lasted only a few minutes.

A month later, Jessica was surprised to receive a $250 bill from her doctor. "I've never received a bill for calling a doctor in my life," she said. Since the beginning of the pandemic, many health care providers are now turning to telemedicine, and are now billing patients for phone calls. However, Jessica's doctor did not give her prior notification that she would be liable for the full cost of an out-of-network office visit just for calling the office. "I did not understand that was [considered] an appointment," Jessica explained. "If [I knew], I wouldn't have called. Why would you spend $250 for a phone call?"

RECOMMENDATIONS

1. Require hospitals and other health care providers to be transparent about pricing. This may include providing estimates to patients before a procedure or publicly releasing cost data.

2. Strengthen New York's Surprise Medical Bill law to hold patients harmless for surprise bills incurred as a result of provider or plan misinformation.

3. Require doctor's offices to notify patients in advance about how much their telehealth visit will cost them in fees or co-payments. In-person follow up visits for the same episode of care should not result in a second co-payment.

Tanisha (22, Brooklyn),
regarding receiving out-of-network bills resulting from provider misinformation:

"My biggest problem is that when you give them your insurance [card], they never tell you whether [the provider] accepts it or not.... They don't tell you if you're going to be billed. You just wake up [one day], see their name in your mail, and you're saying, 'Hold up, I thought my insurance covered it.'

I had a serious issue that sent me to the emergency room over and over. My bill is over $1000, and I'm fresh out of college. I can't afford it."

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Notes

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