A NEW APPROACH:

A Simple Dialogue between the Patient and Provider about the Cost of Medical Care

PAF Patient Advocate Foundation

Solving Insurance and Healthcare Access Problems | *since* 1996

***Editors Note**:*

This publication was developed by the Patient Advocate Foundation. The information contained was prepared in response to frequently asked questions by patients. The purpose of this publication is to provide guidance about questions surrounding treatment options and how to discuss them with your physician or patient.

Patient Advocate Foundation, Inc.
421 Butler Farm Road
Hampton, VA 23666
Telephone: 1-800-532-5274
Fax: 757-873-8999
Email: help@patientadvocate.org
www.patientadvocate.org

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***Mission**:*

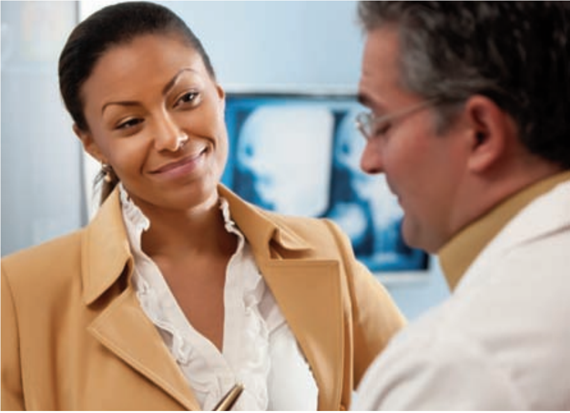
Patient Advocate Foundation (PAF) is dedicated to ensuring that all Americans have access to health care. Case Managers are available to assist patients affected by chronic, debilitating, or life-threatening diseases by empowering them to make informed decisions regarding their health care options.

INTRODUCTION

Historically, there have not been open discussions about the cost of health care treatment and how this may affect the decisions being made. However, recently there has been a change of opinion on this subject. This is a new day in health care delivery in the United States. Patients and providers need to recognize that their roles and responsibilities have changed. This document has been written to help both groups have a simple conversation about the costs of medical care and treatment as well as the patient's financial liabilities.

Providers themselves have not traditionally addressed the cost of required treatment with patients. These discussions have been reserved for office staff, insurance representatives, and human resource personnel. For years, PAF has helped patients who are well informed but are still looking for answers. They ask, "What will this cost me?" or "Can you help me determine my out-of-pocket expenses?" The best PAF could do was to look at the plan language and identify the co-pay, deductible, stop loss, premiums, and out-of-pocket maximum.

America is moving towards a team approach for health care services, because of multiple locations and providers. Therefore, it is becoming more difficult to determine cost and what out-of-pocket requirements patients are responsible for.



GETTING STARTED

To the Patient

Your provider works hard to keep you healthy and on target with your current health plan. However, quality health care is a team effort. You have an important role to play to make sure you receive the best possible treatment.

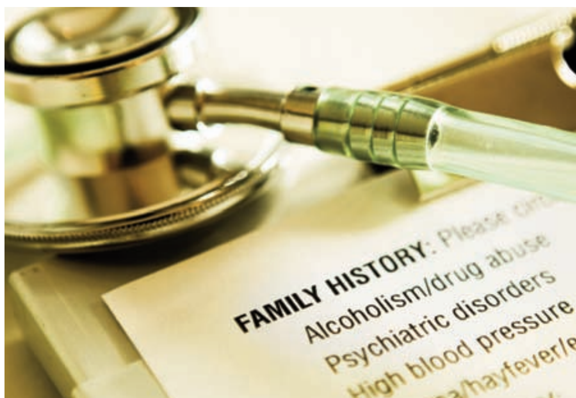
Get involved in your health care. Talk to your provider about the cost of the treatment being recommended for you, co-payments, out of pocket amounts for deductible, and any necessary preauthorization requirements. Research shows that patients who have a good relationship with their doctor receive better care and are happier with the health assistance that they receive.

Evaluate all of the options for recommended care; some may be more costly than others, while some options may be more effective. Choices for treatment may include any of the following:

- Surgery.
- Imaging Services/Radiology.
- Lab and testing.
- Prescription medications.
- Pre-treatment and Post-treatment medications due to underlying health conditions (e.g. nausea or for pain).

To the Provider

Remember that when talking to the patients or their caregivers, they are a family. They want to know from you, a medical professional, what their treatment options are. What is the best solution for the least amount of cost? As a health care provider, it is important to gain a patient's trust. Encourage patients to see the provider-patient interaction as a partnership. This will ensure the open and honest communication necessary to achieve cooperation and treatment success.



FOR THE PATIENT: GETTING READY TO TALK WITH YOUR PROVIDER

There are fundamental steps you need to take to prepare for a good discussion with your provider.

Tell it all

- You know important facts about your symptoms and your health history. Disclose underlying conditions and diseases.
- Bring an up-to-date health history. You may want to provide a copy to your family member. There are internet sites that offer health history forms, such as this one from the American Medical Association: http://www.ama-assn.org/ama1/pub/upload/mm/464/adult_history.pdf.
- Bring a comprehensive list of the medications you are taking, including dosage, time of day, and how often you take them.
- Tell your provider about any herbal products or alternative medicines you use or alternative treatments you receive.
- List all allergies or reactions you have to medicines or other sources.

- Bring other medical information, such as imaging films, test results and medical records.
- Write down questions before your visit. List the most important ones first to make sure they get answered. Also write down the answers.
- Bring a caregiver to your appointment. This person can help you understand the conversation with your provider or help recall the answers.
- Ask your provider to show you pictures or drawings that may help increase your understanding.
- If you had tests and do not hear from your provider, call the office for your results.
- Read your insurance policy. It is your responsibility to know what your policy requires. Do you need to use a specific provider network? Does your policy require prior authorization or referrals to see a specialist or have a diagnostic test? Following your insurance policy requirements will help you contain your out-of-pocket expenses. Once you learn what the insurance will cover, you need to make sure you review the Explanation of Benefits (EOB) after you receive treatment to ensure that proper payment is being paid. If unsure about the form, get a friend or family member to help.

Ask questions

- (Most importantly) What is the goal of treatment (for example, to completely destroy the tumor, to reduce the size of the tumor, to relieve my symptoms)?
- Should I get a second opinion about either the diagnosis or the treatment plan? If so, can you recommend someone who could provide a second opinion?
- What are my treatment options? How do I decide among the different options?
- Are there investigational treatments or clinical trials available for my disease?
- What is your experience in treating this disease? What has been your experience with the results of this treatment?
- How often will I receive treatment, and how much will I have to pay for each treatment?
- Does your policy have an annual or a lifetime maximum? (This is important when determining how much you will have to pay.)
- Does the policy have restrictions on the type of coverage? Does your policy have coverage for outpatient procedures?

FOR THE PROVIDER: GETTING READY TO TALK WITH YOUR PATIENT

There are fundamental steps you need to take to prepare for a good discussion with your patients.

- Let your patients know you welcome their questions and participation.
- Encourage your patients to voice their concerns or questions. These can be about the proposed treatment or about their ability to afford the treatment.
- As a provider, by helping your patients understand what the next steps will be and what the possible outcomes might be, you can help them reach a decision on how they want to proceed with treatment.
- Being respectful will greatly encourage your patients to explain symptoms, take responsibility for decision making, and comply with instructions.
- Patients may be embarrassed to discuss personal issues including financial concerns.
- Some patients think it is inappropriate to question their health care providers. Remove this misconception.

- Nothing is more alarming than trying to recover from surgery and being hit with an unexpected co-pay or out-of-pocket expense. Make sure that someone in your office discusses the charges that the patient will be expected to pay. If necessary, set up payment arrangements prior to beginning treatment.
- Explain the treatment options and the cost of each of these treatments.
- Discuss the risks and benefits? Does one of these options have better results.
- With the insurance plans that your practice accepts, make sure you know which providers and facilities are in your patient's network? Your office may want to create a matrix of plan requirements to ensure proper referrals. (NOTE: Every year insurance plans change their reimbursement level-mostly "Advantage" plans. Make sure you discuss these changes with your patients.)

CONVERSATIONS REGARDING TREATMENT

There are many things to consider when patient and health care provider are discussing treatment options. Understanding the type of insurance policy you have and what benefits are available, including co-payment and co-insurance obligations, are ways to help control expenses, and ensure timely reimbursement for the provider. It is necessary to know how the insurance plan will reimburse for in-network as well as out-of-network providers and facilities. (For example, if you-the patient-make a decision to use out-of-network providers, your insurance may not consider any charges if care is provided out-of-network for a HMO plan but may reimburse some of the costs if you are insured under a PPO/POS plan.) To avoid any unnecessary surprises, determine what out-of-pocket costs will be prior to beginning treatment

One final word–for the provider–regarding treatment. You need to discuss the results and treatment plan with the patient and then allow time to talk about the options before treatment starts. Some providers will start treatment the same day to save time or travel for the patient but this can be damaging to the patient if he or she has chosen a different regimen or place or learned their insurance did not cover the procedure.

SURGICAL PROCEDURES

Patient

- Will there be a biopsy? What is the cost? What does the cost include?
- Will I need surgical intervention? What is the cost, and what is included in this cost?
- Where will the biopsy be performed: In the doctor's office? In an outpatient facility? In a hospital setting? Is the facility in my provider network?
- Will I have to pay a separate charge for the facility?
- Will I need anesthesia services? What will be included in the charges? Are the anesthesiologists considered to be in my provider network?
- If out-of-network, will I have to pay more? If so, and I can't afford to pay, what other options do I have?
- Will I have pre-treatment medications required?
- What if there are complications after the procedure? Is this included in the fee for follow up or the global surgical fees?
- What is the cost of each of my treatments? How often will I need to have treatment?

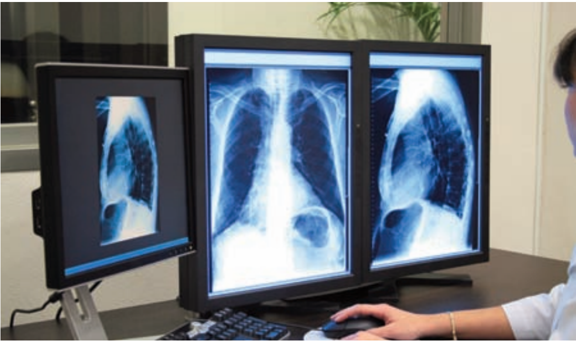
PROVIDER APPROACH

To Insured Patients

- What type of insurance plan do you have? Are we considered an in-network provider?
- What medical treatment facility or specialists are in your provider network?
- Does your plan require pre-authorization for additional treatment? Does the request need to be submitted by your Primary Care Physician?
- One of my office staff has verified your insurance benefits and will discuss approximately how much you will pay (if this is an elective procedure). This amount may vary based on your individual insurance plan deductible and out of pocket maximum amount.

To Uninsured Patients

- Have you applied for or been accepted for any state assistance programs?
- (For the Provider) Would you consider accepting the Medicare allowable charge as payment in full?
- What is your ability to pay for the prescribed treatment? If you are not able to pay, can you qualify for any financial assistance plan or hardship? What can you reasonably afford?
- (For the Provider) Does your office accept payment arrangements?
- Is there going to be a transportation issue?
- Will your ability to pay for treatment affect your compliance with the treatment plan?
- Are you able to afford the medications? If not, there are programs that may be able to assist. Have you gone online to research programs? (If not, you can refer your patient to another resource such as PAF.)



IMAGING/RADIOLOGY SERVICES

Imaging/Radiology services include a wide range of procedures, from simple x-rays to PET scans, nuclear medication procedures, angiograms to radiation therapy. Understanding the type of insurance policy you have, as well as what benefits are available (including co-payment and co-insurance obligations) are ways to help control patient expenses and ensure timely reimbursement for the involved provider or facility. It is necessary to know how the insurance plan will reimburse for in-network as well as out-of-network providers/facilities. Under an HMO plan, if you make a decision to use out-of-network providers, your insurance may not consider the charges. If you are insured under a PPO or POS plan, some of the costs may be reimbursable. To avoid any unnecessary surprises, you will want to determine what your out of pocket costs will be prior to undergoing a test or procedure.

PATIENT APPROACH

- What is the purpose of the procedure? What is the cost and what is included in this cost? What is my co-payment/co-insurance?
- Is there any other test that would supply the same result?
- Is this test covered under my insurance plan? Does it require preauthorization?

- Where will the imaging test be performed: In the doctor's office? In an outpatient facility? Or in a hospital setting? Is the facility in my provider network?
- Will I have to pay a separate charge for the person reading the test?
- If out-of-network will I have to pay more out of pocket? If so, and I can't afford to pay, what other options do I have?
- Will I have pre-treatment medications required?
- What is the cost of the test/procedure? How often will I need to have treatment?
- Will I need anesthesia services during the procedure? What all will be included in the charges? (Some procedures will require it.) You need to ask if any of the treatment plans that you or the provider are considering include this as a measure of therapy. If so, what will the costs be? Anesthesia is used so that surgery can be performed without unnecessary pain. The provider or surgeon can tell you whether the operation or treatment required/ suggested calls for local, regional, or general anesthesia, and why this form of anesthesia is recommended for your procedure.
- If you decide to have an operation, ask to meet with the person who will give you anesthesia. Find out what his or her qualifications are. Ask what the side effects and risks of having anesthesia are in your case. Be sure to tell him or her what medical problems you have including allergies and any medications you have been taking, since they may affect your response to the anesthesia. What will insurance cover?

PROVIDER APPROACH

Insured Patients

- What type of insurance plan do you have? Are we considered an in-network provider?
- What medical treatment facility is in your provider network?
- Does your plan require pre-authorization for additional treatment? Does the request need to be submitted by your Primary Care Physician?
- One of my office staff has verified your insurance benefits and will discuss approximately how much you will pay for the procedure. This amount may vary based on your individual insurance plan deductible and out of pocket maximum amount.

Uninsured Patients

- Have you applied for or been accepted for any state assistance programs?
- (For the Provider) Would you consider accepting the Medicare allowable charge as payment in full?
- What is your ability to pay for the prescribed treatment? If you are not able to pay, can you qualify for any financial assistance plan or hardship? What can you reasonably afford? (For the Provider) Does your office accept payment arrangements?
- Is there going to be a transportation issue?
- Will your ability to pay for treatment affect your compliance with the treatment plan?
- Are you able to afford the medications? If not, there are programs that may be able to assist. Have you gone online to research programs? (If not, you can refer your patient to another resource such as PAF.)

LAB AND DIAGNOSTIC TESTING

Lab and testing services include a wide range of diagnostic laboratory tests from simple blood chemistries to genetic testing to tests performed on a surgical biopsy. While lab tests are often considered standard care, there are ways you can help control costs. We have provided some things you may want to discuss with your provider when they order a test or procedure for you.

Patient Approach

- What is the purpose of the test/procedure? What is the cost and what is included in this cost? What is my co-payment/ co-insurance?
- Is there any other test that would supply the same result?
- Is this test covered under my insurance plan? Does it require preauthorization?
- Where will the test be performed? In the doctor's office? In an outpatient facility? In a hospital setting? Is the facility in my provider network?
- Will I have to pay a separate charge for the facility?
- If out-of-network will I have to pay more out of pocket? If so, and I can't afford to pay, what other options do I have?

PROVIDER APPROACH

Insured Patients

- What type of insurance plan does the patient have? Are we considered an in-network provider?
- What medical treatment facility is in the patient's provider network?
- Does the patient's plan require preauthorization for special lab testing? Does the request need to be submitted by the Primary Care Physician?
- One of my office staff has verified your insurance benefits and will discuss approximately how much you will pay. This amount may vary based on your individual insurance plan deductible and out-of-pocket maximum amount.

Uninsured Patients

- Have you applied for/or been accepted for any state assistance programs?
- (For the Provider) Would you consider accepting the Medicare allowable charge as payment in full?
- What is your ability to pay for the prescribed tests? If you are not able to pay, can you qualify for any financial assistance plan or hardship? What can you reasonably afford?
- (For the Provider) Does your office accept payment arrangements?
- Is there going to be a transportation issue?

PRESCRIPTION MEDICATIONS

Drug costs and new emerging therapies have caused a rise in prescription expenses and cost shifting to the patient regarding co-insurance and co-pays. The placement of a drug on a specialty tier has dramatic cost implications for enrollees. The increasing use of specialty tiers increases costs for some beneficiaries and has consequences for insurance plan as well as government spending. Patients are choosing to delay starting treatment and contact Patient Advocate Foundation due to concern about their ability to afford the out-of-pocket expenses associated with these higher priced drugs.

Restricted access to pharmaceutical issues include off label indications. The continuing evolution of treatment modalities has created an increase in requests for co-payment assistance. The increase in the number of medications and oral chemotherapy agents has patients utilizing their prescription benefits for treatment when they previously used their major medical or Medicare Part B health benefit. When treatment is able to be administered in an outpatient clinic or physician's office, there is often an option to access a charity program or make payment arrangements rather than having to pay at the time the service is provided.

MEDICATION/OR CO PAY ASSISTANCE

Patient Approach

- Understand and review your insurance plan. Does your plan require preauthorization for the medication?
- There are programs available to assist with your out of pocket expenses associated with medications.
- Seek out co-pay relief programs,
- Discounted drugs
- Generic equivalents (when doctor approved)
- Consider using mail order program as a cost saving measure
- Apply for indigent drug/pharmaceutical assistance programs
- Can your provider obtain samples of the medications?
- For those with Medicare Part D, review your plan each year to ensure coverage has not changed or another plan doesn't offer better coverage/more cost effectiveness
- Apply for all available state and federal programs when financially qualified

Below are some commonly used discount/free or co pay programs available to patients.

Needy Meds: www.needymeds.org
Rx Assist: www.rxassist.org
Partnership for Prescription Assistance: www.pparx.org
Rx Aid: www.rxaid.us

Listing of state pharmaceutical assistance programs
www.ncsl.org/programs/health/drugaid.htm
Family Wize Savings Program (card that provides an average of 20% savings)
http://www.familywize.com/index.aspx

Disease Specific Organizations

Heart Support of America (cardiac meds)
www.heartsupportofamerica.org
Caring Voice Coalition (Pulmonary meds)
www.caringvoice.org
NORD (specific medication/diseases)
www.rarediseases.org
American Kidney Fund
www.kidneyfund.org

There are discounted/ $4 generic medications available at multiple retail outlets including but not limited to:

Wal-Mart	www.walmart.com/pharmacy
Target	www.target.com
K-Mart	www.Kmart.com
Walgreen's	www.walgreens.com

You should also contact your local supermarket pharmacy for discount programs they may offer. Many are mirroring the large chains listed above.

Conclusion

The reality of the current health care climate in America is that both the patient and provider need to address the issue of treatment costs prior to beginning a course of therapy. The cost of treatment should not be the limiting factor in determining a patient's care, however, it does need to be a consideration. We recognize that doctors want to provide their patients with the best quality of care available for their patient's condition, and patients want the best treatment available for their diagnosis. We hope that this brochure is a beginning in helping both the patient and provider talk freely and openly about costs associated with care.

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Principal Writing and Editing:

Erin Moaratty
Chief of External Communications
Patient Advocate Foundation

Pat Jolley, RN
Chief of Patient Services
Patient Advocate Foundation

Tami Lewis, RN
Director of Case Management
Patient Advocate Foundation

Thomas McCarty, Ph.D., CFRE
Senior Grants Writer
Patient Advocate Foundation

PAF Patient Advocate Foundation

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421 Butler Farm Road
Hampton, VA 23666
1.800.532.5274
757.873.8999 Fax
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