

Haggle with your doctor, cut your bill

Don't be cowed. Many consumers negotiate with physicians, hospitals and pharmacies to lower their bills. Here's how to do it successfully.

By Insure.com

You may have negotiated a decent price on your new car or bargained for a great lamp at your neighbor's yard sale, but did you know that you can haggle with your doctor to lower your out-of-pocket expenses?

According to The Foundation for Taxpayer and Consumer Rights (FTCR), everything in health care is negotiable, even the bills from your doctor, pharmacist and hospital. FTCR's patient guide states: "You're paying the bills, not only as a consumer, but also as a taxpayer who helps fund the medical system." So don't be cowed by your doctor's sparkling white lab coat or by your hospital's credentials. Establish the price you believe is reasonable and go for it.

There's no harm in asking, says Larry Gelb, president and chief executive officer of Care Counsel, a provider of employer-sponsored health-care assistance and advocacy services in San Rafael, Calif. "There's nothing new about people asking for discounts on medical treatments," says Gelb. "There's a long history of patients negotiating with their providers for lower prices on elective procedures, such as laser vision surgery or psychotherapy."

How you can bargain Many consumers successfully talk their doctors and hospitals into lowering their bills. Some 17% of consumers recently polled by Harris Interactive Health Care News say they have asked a pharmacist in the last year if they could pay a lower price. A smaller but growing number say they have done this with doctors (13%), dentists (12%), and hospitals (10%).

About half of all those who have tried to negotiate a lower price say they did so successfully, Harris says. This varies from 54% of those who spoke with their doctors to 48% who talked with their pharmacists, 47% of those who talked with their dentists, and 45% of those who talked with hospitals about their bills or prices.

There's both an art and science to haggling for lower health-care prices, according to Gelb. "Research indicates outspoken individuals have better health outcomes," he says. "But even I would think twice about creating bad feelings between me and my surgeon if I was about to have surgery."

The doctor/patient relationship is as delicately balanced as the employer/employee relationship, Gelb concedes. "You don't want to march up to your boss and demand a raise," he says. "You're probably much less likely to get the desired outcome by doing it that way than if you calmly explain the reasons why you need to make more money. Same thing goes for asking your doctor to lower his prices."

While there are no hard and fast rules for successfully lowering your out-of-pocket health care expenses, there are a few good guidelines: Find out what others are paying. This isn't as easy as it sounds because doctors and hospitals in different areas of the country charge widely varying amounts. The American Medical Association Web site now has an interactive tool that lists how much Medicare reimburses doctors for certain medical procedures. However, the AMA warns these are "bargain-basement prices" reserved for 39 million senior citizens and the disabled who need government assistance with their health insurance. Still, you should never pay your provider more than private insurers pay, says health-care attorney Deidre O'Reilly Marblestone. "Insurers never pay more than one-half to two-thirds of the total amount billed," she says. A note: You must register to use the AMA interactive tool for Medicare reimbursements. (See link at left.) Registration is free, but you are limited to 10 searches annually. Cash talks (so do credit cards). Offer to pay your doctor the discounted amount you both deem reasonable in cash, immediately. If you don't have the cash, offer to put it on your credit card -- if you're financially able to do that. Says Marblestone, "It works. Just like Wimpy says in the Popeye cartoon: 'I'll gladly pay you Tuesday for a hamburger today.'" Plead your own case. Nine times out of 10, the telephone won't do the trick and neither will a written request. Arrange to get face time with your doctor, pharmacist or hospital billing officer and plead your own case for paying a lower amount. It also helps if you have an established relationship with your doctor or pharmacist. "It's much more compelling when a consumer speaks on his or her own behalf directly to the provider and explains the situation," says Gelb. It's also harder for the provider to turn you down in person.