Medical Xpress

5 tips for handling early-year medical expenses

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The clock on insurance deductibles reset on Jan. 1, and that means big medical bills are in store for some. Patients may be required to pay thousands of dollars before their health care coverage kicks in.

Insurers typically begin or renew policies in January, and that means customers could face some daunting cost-sharing requirements in the first few months of the year. That's especially true if they need surgery or have a particularly expensive prescription.

Deductibles topping $3,000 are common among plans sold on the health care overhaul's public insurance exchanges, which provide coverage for millions. Companies also have been raising deductibles for years on employer-sponsored health plans, the most common form of coverage in the United States. Plus cost-sharing requirements for Medicare prescription drug coverage renew every year.

All this adds up to a business boom for organizations like the Patient Access Network Foundation, which offers grants to help cover prescription costs for dozens of life-threatening, chronic or rare diseases. The nonprofit had to hire about 80 temporary employees to help handle the heavy workload it receives at the start of the year. It fielded 4,000 calls a day last month, double its normal total.

"Everybody who works doing what we do has the same challenge," CEO Daniel Klein said.

Klein's foundation is one option patients can turn to if too many expenses hit at the start of the year. Here are some other tips.

1. UNDERSTAND YOUR COVERAGE

You can't prepare for medical expenses until you know how big the bills might be. Your insurance should come with a plan summary that lays out important numbers.

Start by understanding your plan's deductibles, which can differ significantly depending on whether care is received inside or outside the insurer's network of providers.

If you take prescriptions, double check how much they will cost. Drug coverage is commonly divided into tiers based on price, and costs can change from year to year.

Most coverage offers some protection by capping the amount you are required to pay each year. But these caps might still expose patients to sizeable bills because they can climb higher than $6,000 for an individual and $13,000 for a family.

2. TALK TO YOUR DOCTOR

Physicians may be able to offer less-expensive treatment alternatives, but be clear on whether these choices are equally effective. If you're planning a surgery, ask whether it can be delayed, perhaps after you may have satisfied your deductible.

Avoid skipping care entirely. That may make your condition worse, and the unpaid deductible you're trying to avoid might still need to be satisfied.

3. SEEK HELP

Big medical expenses at the start of the year can be shocking, especially for patients who are already dealing with leftover holiday bills or other financial headaches. There are a number of agencies that have years of experience helping patients deal with this.

The Patient Access Network Foundation can offer grants of more than $10,000 in some cases to help with expenses. It also provides a list of additional organizations that can assist at www.panfoundation.org/copaymen … stance-organizations .

Drugmakers frequently help cover out-of-pocket expenses for some of their priciest products. Contact the company that makes your medication or check out the Partnership for Prescription Assistance at www.pparx.org .

That site, which is supported by drugmakers, acts as a clearinghouse to help link patients to hundreds of assistance programs.

4. SHOP AROUND

Many insurers now offer smartphone apps or other services that help patients compare prices for care based on their coverage. It pays to shop around for non-urgent care because costs can vary quite a bit.

For instance, the cost of a primary care doctor visit can range from $117 to $461 inside an insurer's coverage network in San Francisco, according to Castlight Health Inc., which has designed a technology platform to help employers manage costs and employees shop for care.

5. PLAN AHEAD

Many employer-sponsored high-deductible plans come with health savings accounts that can ease the sting from early-year medical expenses. These accounts can let families set aside as much as $6,650 before taxes for medical expenses, and employers often contribute to them.

But that safeguard requires some foresight. You generally have to sign up for it before your coverage begins.

If you can't start a health savings account, you can set aside some money from each paycheck in a savings account. If that expense never hits, keep the money parked. You may need it next year, when your coverage renews your deductible resets once again.

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