

Why a COVID diagnosis could cost you way more money in 2021

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(HealthDay)—COVID-19 could be a much more expensive experience

for folks who fall ill this year, thanks to the return of deductibles and copays, new research suggests.

Most folks who became gravely ill with COVID last year didn't face crushing [medical bills](#) because nearly all [insurance companies](#) agreed to waive cost-sharing for coronavirus care during the height of the pandemic, explained Dr. Kao-Ping Chua, a health policy researcher and pediatrician at the University of Michigan.

But some people did get a big [bill](#) because their insurer refused to waive cost-sharing, and their debts provide a good idea of what many hospitalized COVID patients will have to pay this year, Chua said.

"We've had some really big insurers abandon their cost-sharing waivers this year," Chua said. "Insurers seem to be acting like the pandemic is over, and we feel that it's premature for them to be acting in that manner."

Chua noted that as of last week, some 20,000 Americans were hospitalized for COVID even though there's been a continuing decline in cases.

For this study, Chua and his colleagues reviewed claims data for multiple insurers across the United States, looking specifically for people who got a full bill for their COVID hospitalization.

They identified more than 4,000 hospitalizations between March and September 2020 where it didn't appear the insurer waived cost-sharing. These patients had to pay a share of all their care, from hospital room and board down to the doctors who saw them and the medications they received.

Folks who didn't benefit from cost-sharing waivers wound up paying

about \$3,800, on average, out of pocket if they had private insurance and an average of \$1,500 if they were covered by a Medicare Advantage plan, the data showed.

"Now that insurers are abandoning their cost-sharing waivers, that's approximately what the bills might be for patients covered by plans that have chosen to do that," Chua said.

By comparison, respiratory infections in the pre-COVID period from 2016 to 2019 resulted in average out-of-pocket spending for privately insured folks of \$1,600 to \$2,000, researchers said in background notes.

The findings were published on the preprint server medRxiv and have not been peer-reviewed yet.

The cost of treating COVID-19 "could be higher than the amounts you see in this study, in fact," said Cheryl Fish-Parcham, director of access initiatives at Families U.S., a national nonpartisan consumer health care advocacy organization. "Besides the hospital costs themselves, people may face costs when they go home if they have long-term effects of COVID."

Chua's team also found that even those who benefited from some sort of cost-sharing waiver still wound up paying for part of their COVID hospital care.

About seven out of 10 COVID hospitalizations resulted in a bill of some sort for privately insured patients, and about half of hospitalizations for those covered by Medicare Advantage.

Even if hospital costs were waived, people still received bills from the doctors who provided their inpatient care and the ambulance services who got them to the hospital, Chua said.

"Even though insurer cost-sharing waivers covered most of the bill, they didn't cover all COVID hospitalization-related care," Chua said.

Those folks faced average bills of nearly \$800 with [private insurance](#) and nearly \$300 with Medicare Advantage.

While the threat of a big COVID hospital bill might prompt some reluctant folks to get vaccinated, Chua said he'd "rather this not be the way that people get convinced to get a vaccination."

That's because he's worried the risk of a big hospital bill will keep people from getting care that could save their lives.

"I don't want the possibility of high cost-sharing to dissuade people from getting the care they need," Chua said.

If insurers keep backing out of COVID cost-sharing waivers, the U.S. federal government needs to intervene, Chua concluded.

"There should be consideration of a federal mandate that requires insurers to cover all [costs](#) of COVID hospitalizations throughout the duration of the pandemic," Chua said.

Fish-Parcham is hopeful that the [federal government](#) also will step in to limit out-of-pocket expenses for all health care, COVID or not.

In the meantime, many states offer consumer assistance programs that help people resolve billing issues between patient and insurer, Fish-Parcham noted.

"We encourage consumers to use those programs if they exist in their states," Fish-Parcham said.

Insurance industry group America's Health Insurance Plans did not respond to a request for comment.

More information: The U.S. Centers for Disease Control and Prevention has more about [COVID-19](#).

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