

Without Medicare Part B's shield, patient's family owes \$81,000 for a single air-ambulance flight

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Debra Prichard was a retired factory worker who was careful with her money, including what she spent on medical care, said her daughter,

Alicia Wieberg. "She was the kind of person who didn't go to the doctor for anything."

That ended last year, when the rural Tennessee resident suffered a devastating stroke and several aneurysms. She twice was rushed from her local hospital to Vanderbilt University Medical Center in Nashville, 79 miles away, where she was treated by brain specialists. She died Oct. 31 at age 70.

One of Prichard's trips to the Nashville hospital was via helicopter ambulance. Wieberg said she had heard such flights could be pricey, but she didn't realize how extraordinary the charge would be—or how her mother's skimping on Medicare coverage could leave the family on the hook.

Then the bill came.

The patient: Debra Prichard, who had Medicare Part A insurance before she died.

Medical service: An air-ambulance flight to Vanderbilt University Medical Center.

Service provider: Med-Trans Corp., a medical transportation service that is part of Global Medical Response, an industry giant backed by private equity investors. The larger company operates in all 50 states and says it has a total of 498 helicopters and airplanes.

Total bill: \$81,739.40, none of which was covered by insurance.

What gives: Sky-high bills from air-ambulance providers have sparked complaints and federal action in recent years.

For patients with private insurance coverage, the No Surprises Act, which went into effect in 2022, bars air-ambulance companies from billing people more than they would pay if the service were considered "in-network" with their health insurers. For patients with public coverage, such as Medicare or Medicaid, the government sets payment rates at much lower levels than the companies charge.

But Prichard had opted out of the portion of Medicare that covers ambulance services.

That meant when the bill arrived less than two weeks after her death, her estate was expected to pay the full air-ambulance fee of nearly \$82,000. The main assets are 12 acres of land and her home in Decherd, Tennessee, where she lived for 48 years and raised two children. The bill for a single helicopter ride could eat up roughly a third of the estate's value, said Wieberg, who is executor.

The family's predicament stems from the complicated nature of Medicare coverage.

Prichard was enrolled only in Medicare Part A, which is free to most Americans 65 or older. That section of the federal insurance program covers inpatient care, and it paid most of her hospital bills, her daughter said.

But Prichard declined other Medicare coverage, including Part B, which handles such things as doctor visits, outpatient treatment, and ambulance rides. Her daughter suspects she skipped that coverage to avoid the premiums most recipients pay, which currently are about \$175 a month.

Loren Adler, a health economist for the Brookings Institution who studies ambulance bills, estimated the maximum charge that Medicare would have allowed for Prichard's flight would have been less than

\$10,000 if she'd signed up for Part B. The patient's share of that would have been less than \$2,000. Her estate might have owed nothing if she'd also purchased supplemental "Medigap" coverage, as many Medicare members do to cover things like coinsurance, he said.

Nicole Michel, a spokesperson for Global Medical Response, the ambulance provider, agreed with Adler's estimate that Medicare would have limited the charge for the flight to less than \$10,000. But she said the federal program's payment rates don't cover the cost of providing air-ambulance services.

"Our patient advocacy team is actively engaged with Ms. Wieberg's attorney to determine if there was any other applicable medical coverage on the date of service that we could bill to," Michel wrote in an email to KFF Health News. "If not, we are fully committed to working with Ms. Wieberg, as we do with all our patients, to find an equitable solution."

The resolution: In mid-February, Wieberg said the company had not offered to reduce the bill.

Wieberg said she and the attorney handling her mother's estate both contacted the company, seeking a reduction in the bill. She said she also contacted Medicare officials, filled out a form on the No Surprises Act website, and filed a complaint with Tennessee regulators who oversee ambulance services. She said she was notified Feb. 12 that the company filed a legal claim against the estate for the entire amount.

Wieberg said other health care providers, including ground ambulance services and the Vanderbilt hospital, wound up waiving several thousand dollars in unpaid fees for services they provided to Prichard that are normally covered by Medicare Part B.

But as it stands, Prichard's estate owes about \$81,740 to the air-

ambulance company.

The takeaway: People who are eligible for Medicare are encouraged to sign up for Part B, unless they have private health insurance through an employer or spouse.

"If someone with Medicare finds that they are having difficulty paying the Medicare Part B premiums, there are resources available to help compare Medicare coverage choices and learn about options to help pay for Medicare costs," Meena Seshamani, director of the federal Center for Medicare, said in an email to KFF Health News.

She noted that every state offers free counseling to help people navigate Medicare.

In Tennessee, that counseling is offered by the State Health Insurance Assistance Program. Its director, Lori Galbreath, told KFF Health News she wishes more seniors would discuss their health coverage options with trained counselors like hers.

"Every Medicare recipient's experience is different," she said. "We can look at their different situations and give them an unbiased view of what their next best steps could be."

Counselors advise that many people with modest incomes enroll in a Medicare Savings Program, which can cover their Part B premiums. In 2023, Tennessee residents could qualify for such assistance if they made less than \$1,660 monthly as a single person or \$2,239 as a married couple. Many people also could obtain help with other out-of-pocket expenses, such as copays for medical services.

Wieberg, who lives in Missouri, has been preparing the family home for sale.

She said the struggle over her mother's air-ambulance bill makes her wonder why Medicare is split into pieces, with free coverage for inpatient care under Part A, but premiums for coverage of other crucial services under Part B.

"Anybody past the age of 70 is likely going to need both," she said. "And so why make it a decision of what you can afford or not afford, or what you think you're going to use or not use?"

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