

Common medical billing errors keep many Americans from care, report shows

August 1 2024, by Dennis Thompson



Insured working-age adults are frequently being hit with medical bills for services that should have been covered, a new Commonwealth Fund survey has found.

The report, published Aug. 1 in *Commonwealth Fund*, is titled [Unforeseen Health Care Bills and Coverage Denials by Health Insurers in the U.S.](#)

It's based on a survey of 5,602 U.S. adults questioned by phone and online between April 18 and July 31, 2023.

Close to half (45%) of insured workers have received a [bill](#) or copay in the past year for a service they thought should have been paid by [health insurance](#), the survey shows.

Fewer than half challenged the bills, mostly because they weren't aware they had the right to do so, researchers found.

But when they did mount a challenge, [patients](#) often found the bill had indeed been issued in error.

More than one-third (38%) of those who disputed medical bills had their bill reduced or eliminated, the survey found.

"Our findings highlight a troubling reality: even with health [insurance](#), many Americans are struggling to navigate a complex and often opaque health care system," said Commonwealth Fund President Dr. Joseph Betancourt.

The same goes for getting insurance to agree to cover [medical services](#), with many being turned down in error, results showed.

Nearly 17% of patients were denied coverage by their insurer for a doctor-recommended service.

But half of adults who challenged a coverage denial reported success in getting some or all of the denied services approved, researchers said.

These coverage denials had a direct impact on patients' health, researchers found.

Nearly 60% said a denial led to a delay in their care, and nearly half (47%) had their symptoms worsen as a result.

"When substantial numbers of people with health insurance are facing unexpected bills and having doctor-recommended care denied, our health care system is failing patients," said researcher Sara Collins, Commonwealth Fund's senior scholar and vice president for health care coverage and access.

"And much of this failure can be attributed to the complex insurer billing practices and loopholes that fuel a lack of accountability for these billing errors and unfair coverage denials," Collins added in a Commonwealth Fund news release.

Among people who didn't challenge a billing [error](#), more than half (54%) said it was because they weren't sure they had the right to do so.

This uncertainty was most common among people with low to moderate incomes, those younger than 50 and Hispanic adults.

Younger adults (ages 19-34) were the most likely to be unaware of their rights, with 60% not knowing they could [challenge](#) a bill, researchers found.

Those under 50 were also most likely to be unsure of where to go to address errors in [medical bills](#), the survey found.

"Patients deserve better—they shouldn't have to navigate a labyrinth to use the health insurance they and their employers are paying for, and the care their doctors are prescribing," Collins said.

Researchers said the federal government should step up monitoring of claims denials as required under the Affordable Care Act and adopt policies that penalize insurers that often wrongly deny coverage or commit billing errors.

"Having care improperly denied and fighting to get what is needed for patients' health and well-being is exhausting and demoralizing for patients and doctors alike," Betancourt said.

"Especially as some commercial insurers are reporting record profits, we must ensure that health insurance fulfills its promise of protecting people's health and financial well-being."

More information: Consumer Reports has more on [ways to fix medical bill mistakes](#).

Avni Gupta et al, Unforeseen Health Care Bills and Coverage Denials by Health Insurers in the U.S., *Commonwealth Fund* (2024). [DOI: 10.26099/jqpw-jz55](#)

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