

## Using FAIR Health Cost Estimates to Negotiate the Costs of Care

Since providers are able to decide how much to charge for out-of-network care, sometimes that charge might be higher than you expected. Did you know that you can use cost estimate information—available for free through this website—to discuss and negotiate the cost of care with out-of-network doctors, dentists, hospitals or other healthcare providers?

That cost information can help you make educated healthcare choices—and may even save you money. Providers do not have to accept a lower fee for a service or procedure. But, some may do so if asked. Or, they might offer payment plans that allow you to pay for the service over time. Keep reading for tips on planning and negotiating the costs of your healthcare.

### **BEFORE YOU HAVE A MEDICAL OR DENTAL SERVICE: Know what you will owe**

- **Step 1** Talk to the healthcare provider you intend to see—or the provider’s office staff—to ask about the service or procedure that you will receive, its billing code and price.
- **Step 2** If you have insurance, find out if your insurer will cover any of the costs of your out-of-network service or procedure.
- **Step 3** Use the medical and dental cost lookup tools on this website to estimate the cost of your medical or dental service and compare it to what your provider is charging.
- **Step 4** Start a conversation with your provider about your payment options.
- **Step 5** If you have a flexible spending plan, use it.
- **Step 6** Build confidence.

### **AFTER YOU GET A BILL: Compare Your Costs with the medical and dental cost estimates from this website and Discuss Differences with Your Provider**

- **Step 1** Review your medical bill closely.
- **Step 2** If you have not already used the website’s cost lookup tool, use it now.
- **Step 3** Contact your provider’s billing office and discuss the difference between their charge and the FAIR Health cost estimates.
- **Step 4** Ask if the provider can match either one of the cost estimates from this website.
- **Step 5** Be open to discussion.
- **Step 6** Find resources that can help you to dispute your medical bill such as Healthcare Path Finders and the Patient Advocate Foundation.

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## **Before You Have a Medical or Dental Service: Know What You Will Owe**

### **Step 1: Talk to the healthcare provider you intend to see—or the provider’s office staff—to ask about the service or procedure that you will receive, its billing code and price.**

- If you have insurance, find out which doctors and hospitals are in your plan’s network. You usually will pay less for services performed by in-network providers than for those performed by providers outside the network.
- If you do not have insurance or need to go to an out-of-network provider, contact the offices of providers you are considering. Ask about the name of your service or procedure and whether other services may be included. You also should ask for the code(s) associated with each service.
- Ask how much the provider would charge for each service or procedure you need to receive.
- Record the names of the people you spoke to and all codes and prices you discussed. Ask them to send you this information in writing or by e-mail, if possible.

### **Step 2: If you have insurance, find out if your insurer will cover any of the costs of your out-of-network service or procedure.**

Some types of health plans will pay part of out-of-network costs and others will not. Some plans may also help with unique situations, such as if you have a rare condition and need to see a doctor with a specialty to treat the condition, but none are available in your network. Some plans may allow you special permission to receive care from an out-of-network doctor and pay the same amount that you would for an in-network doctor. For more information, call your plan’s member services number (on the back of your insurance card) or review your summary of benefits.

### **Step 3: Use this website to estimate the cost of your medical or dental service and compare it to what your provider is charging.**

- Use the website’s cost lookup tool to estimate your costs for a service or procedure in your geographic area. Print a copy of your cost estimate results page for reference.
- This website’s cost estimates include the estimated provider’s charge (out-of-network/uninsured price) and the in-network price. Generally, the out-of-network/uninsured price represents what providers typically charge for the procedure in the area that was searched. It is the provider’s full undiscounted fee. The in-network price is the most that a health plan will pay for a procedure that is performed by an in-network provider, including any amount that the patient will be responsible for paying. The in-network allowed charge is based on contracts between the insurer and the providers.
- If you have not yet met your deductible, you can use the in-network price as a guide to see how much you may be able to draw down from your deductible for a procedure that is provided in-network.

- This website’s cost estimates are set to the “80th percentile.” This means that 80 percent of the charges in the FAIR Health database for a procedure code in a geographic area are less than or the same as the cost estimate. This percentile can be adjusted so your estimate more closely reflects your plan’s features. Read our FAQs to learn more about cost estimates and percentiles.
- For certain procedures, the FH Medical Cost Lookup tool will make your search more complete by suggesting services that are often performed in addition to the procedure you searched. For example, if you have a colonoscopy, you usually also need to have anesthesia and may possibly need a biopsy.
- Compare the cost estimates from this website to the prices that you were quoted by the providers you contacted. If you have insurance, you may wish to take into account the amount your insurer will reimburse.

**Step 4: Start a conversation with your provider about your payment options.** Is the out-of-network/uninsured price lower than what the provider charges for that service? What about the in-network price? If so, ask if the provider would consider offering a price that is closer to one of these estimates. You also may wish to ask about other types of discounts, financial aid or a payment plan. Those steps are especially important if you are not insured or have not met your plan’s deductible. In such cases, you will be paying your entire bill out of pocket.

**Step 5: If you have a flexible spending plan, use it.** With a flexible spending plan, you can save by using pre-tax dollars to pay for healthcare services. For more information, see Flexible Spending Plans.

**Step 6: Build confidence.** Speaking openly with providers about prices can help you build the confidence to shop for healthcare services and make the best decisions for you and your family.

### **After You Get a Bill: Compare Your Costs with the FAIR Health Cost Estimates and Discuss Differences with Your Provider**

**Step 1: Review your medical bill closely.** If you and your provider agreed upon a price earlier, make sure the bill matches that price. Look for errors, such as duplicate charges, that can cost money. If you don’t understand your bill or believe that it has errors, contact your provider’s billing office.

**Step 2: If you have not already used the website’s cost lookup tool, use it now.** See if there is a significant difference between the billed price and the FAIR Health cost estimates for that service in your area.

**Step 3: Contact your provider’s billing office and discuss the difference between their charge and the FAIR Health cost estimates.** Ask why the provider has charged a higher price than others in the area. Were other charges, such as facility fees, included?

**Step 4: Ask if the provider can match either one of the cost estimates from this website.** If so, make sure to get this in writing.

**Step 5: Be open to discussion.** If your provider’s billing department will not accept a lower price, discuss other options, such as a payment plan. See if your provider is willing to accept a

com promise--paying less than the initial charge but more than the cost estimate from this website.

**Step 6: Find help.** Find resources that can help you to dispute your medical bill. Examples are Healthcare Path Finders and the Patient Advocate Foundation.