



# Clean Bill of Health

Can a medical billing advocate save you money?

BY KIMBERLEE ROTH

**C**huck Garnes found himself in the hospital four times in 2008 in an effort to treat the meningitis and other infections that were causing his excruciating headaches. But the 52-year-old telephone repair tech from Ohio developed a special headache upon learning the cost of all his treatment: \$183,000.

Garnes, who was uninsured at the time, says he tried to set up a payment plan with the hospital based on what he could afford each month, but that the hospital declined. Around the same time he saw an article in a health newsletter about medical billing advocates. Concerned that the debt could put his home at risk, he decided to hire one.

Medical billing advocates work on behalf of health care consumers, whether insured or uninsured, to make sure their charges for health-related services are accurate and reasonable and that insurers are providing coverage according to benefit plans. To that end, advocates review patients' medical records, bills, and insurance policies; interpret diagnostic, billing, and procedure codes; identify billing errors; and communicate and negotiate with creditors, be they individual health care providers, hospitals, or insurers.

## A GROWING FIELD

It's not surprising that Garnes—and countless others facing stacks of high bills—needed help. With technical wording, abbreviations that are often less than self-explanatory, multiple coding systems, and frequently sky-high pricing, medical bills can puzzle even the savviest consumer.



On a job analyzing 76 hospital bills for a state government, Johnson says she found **\$600,000** worth of errors.

It's also not surprising that the advocacy field is growing. Statistics are hard to come by, but Nora Johnson, director of education and compliance for the Medical Billing Advocates of America (MBAA), says the company had fewer than 20 members when she joined in 2001, while today it has 65. The firm trains advocates and provides referrals. It was started in 1997 by Pat Palmer, a former insurance company employee, after she tried to resolve errors in her parents' medical bills. Soon other family members and friends were asking for help, and she realized there was a need.

Errors on hospital and other medical bills are not uncommon. Trudy Whitehead, managing partner of Advantage Medical Bill Review in Salt Lake City, UT, says she sees errors on about 80 percent of the bills she analyzes. Johnson says she sees errors at that rate, too, if not higher. Among the most notable

that Whitehead has encountered are charges for a newborn's circumcision—twice!—and labor and delivery charges billed to a 54-year-old man.

Mistakes run the gamut and can include several types of mix-ups: billing for the same service, medication, or device more than once; billing for a service that wasn't received; billing for a more expensive service or medication than was actually received; and unbundling, or charging separately for tests or other services that are typically billed as one. Sometimes simple typos during data entry and other clerical errors are to blame.

MAN: DEAN TURNER/ISTOCKPHOTO; CABINETS: ANDREW MANLEY/ISTOCKPHOTO

(State laws vary, but billing errors cross the line into fraudulent territory when health providers intentionally report services inaccurately to collect additional fees.)

### FINDING A MATCH

So when is it time to consider contacting an advocate? “Anytime someone has a hospital or medical bill they don’t understand or they feel they’ve been taken advantage of, that’s when they need us,” says Steve Kay, owner of Medical Expense Review Consultants near Detroit, MI. Advocates also can help consumers negotiate insurance denials and deal with debt collection agencies.

If you’d like to hire an advocate, look for someone with experience in the medical, insurance, or legal fields. Advocates need to be well-versed in federal billing guidelines as well as the many standardized medical procedure and diagnostic codes. Many advocates start out as nurses, medical administrators, bill coders, or workman’s compensation experts, and they can bring valuable knowledge to the table. Some have become advocates after their own personal experiences dealing with medical bills.

Regardless of the advocate’s professional background, ask about their training and experience specifically as an advocate. (Currently there is no non-profit profes-

sional organization that certifies advocates, so you should conduct your own due diligence.) Always ask for references, and contact them. Find out if the

advocate has experience handling cases like yours. Perhaps most importantly, ask yourself if you feel comfortable talking with this person—and disclosing sensitive financial and health-related information.

### WHAT TO EXPECT

You’ll likely start by signing an authorization form that allows the advocate access to your medical records. He or she will also ask you about your situation and then contact the hospital, medical practice, or insurer to get the records related to your care. (You can request the documents yourself if you prefer to be more involved; your advocate can tell you exactly what to ask for.) After reviewing the material, the advocate will determine whether you have in fact been inappropriately charged or your insurer has not acted according to the terms of your policy. If that’s the case, he or she will handle negotiations on your behalf.

Johnson, who runs her own medical billing review service in addition to working with the MBAA, says she

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saves clients money in about 95 percent of cases. For some, the savings amount to several hundred dollars; for others, it’s thousands. (On a job

analyzing 76 hospital bills for a state government, Johnson says she found \$600,000 worth of errors.)

Speaking of charging, many advocates work on a contingency basis. That is, you pay nothing up front and they receive a percentage of the amount they’ve saved or recovered for you. Some charge an hourly rate; others use a combination of the two. Be sure to ask about all fees and percentages before you start working together.

### PATIENCE IS MORE THAN A VIRTUE...

It’s a necessity. It could take months for an advocate to sort through the paperwork, communicate with creditors, and reach a resolution, depending on the details and complexity of your case. Your advocate should provide you with frequent updates all the while.

It’s been a long road for Garnes, who has felt discouraged at times.

“I figured I had no choice but to allow the hospital to take everything I had worked for to pay the bill. So I thanked my advocate [who is trying to have his case accepted by the hospital’s charity care program] for her help and she said, ‘Wait a minute. I’m not done yet.’ She’s quite tenacious. And she’s put hope in a hopeless situation for me.” NN

*Kimberlee Roth is a freelance health writer. She is a regular contributor to the Chicago Tribune and other health publications and is the author of Surviving a Borderline Parent (New Harbinger, 2003).*

## HELP DECODING MEDICAL BILLS

If you’d like to learn more about working with a medical billing advocate or wish to have medical bills reviewed by a professional, a Web search of the following terms will turn up many hits:

“medical billing advocate”  
“medical bill review services”

In addition, Medical Billing Advocates of America offers an online list by state and referrals at no charge at [billadvocates.com](http://billadvocates.com).



For more information on medical billing, see RESOURCE CENTRAL on page 36.