

Medical expenses can be stressful, but help is available and options do exist. The healthcare system (and everything that goes with it!) can feel complicated, but learning what to look for and understanding the options you have, can help you develop a solid strategy and potentially major savings. Being proactive about these expenses is one of the most effective ways to ease stress and protect your long-term financial health.



UNDERSTAND YOUR INSURANCE COVERAGE

Start by thoroughly reviewing your health insurance policy. Know your deductible, copayments, coinsurance, and out-of-pocket maximum. Understanding these terms helps you anticipate costs and plan accordingly. Check which providers and facilities are in-network, as out-of-network care typically costs significantly more.

BEFORE YOU NEED CARE

Contact your insurance company before scheduled procedures or treatments to verify coverage and get pre-authorization if required. Ask for cost estimates from both your health insurance plan and healthcare provider. Prices can vary dramatically between facilities for the same service, so comparison shopping can save money.

PLAN FOR PREVENTIVE CARE

Most insurance plans cover preventive services like annual checkups, screenings, and vaccinations at no cost to you, even if you have not met your annual deductible. Taking advantage of these services can help catch health issues early when they're less expensive to treat. Plus, you are already paying for these services through your monthly insurance premiums, so if you don't schedule your preventive care it is like leaving money on the table.



PRESCRIPTION MEDICATIONS

Ask your doctor if generic alternatives are available for prescribed medications. Use prescription discount cards or apps like GoodRx to compare prices across pharmacies. Sometimes paying cash with a discount card costs less than using insurance. Consider mail-order pharmacies for maintenance medications, which often provide 90-day supplies at reduced costs. Check out more ways to save money on prescriptions [here](#).

HEALTH SAVINGS ACCOUNTS AND FLEXIBLE SPENDING ACCOUNTS

If eligible, contribute to a Health Savings Account (HSA) or Flexible Spending Account (FSA). These accounts let you set aside pre-tax dollars for medical expenses, effectively giving you a discount on healthcare costs. HSAs roll over year to year and can even be invested for long-term growth. Learn more about HSAs and FSAs [here](#).



REVIEW BILLS CAREFULLY

Medical billing errors are common. Review itemized bills for duplicate charges, services you didn't receive, or incorrect quantities. If something looks wrong, question it. Contact your healthcare provider or your insurance company to ask about the charges. Even small errors can add up to significant overcharges.

NEGOTIATE MEDICAL BILLS

Most medical bills are negotiable. If you're struggling with high costs, reach out to the billing department to start a conversation. Many providers are willing to offer "prompt-pay" discounts or match lower insurance rates for those paying out-of-pocket.

If you are in a more difficult financial situation many hospitals offer compassionate financial assistance programs that can significantly reduce or even waive your bill entirely. Seeking this help is a proactive step in caring for your financial well-being, and most offices are ready to walk you through the application process. Learn more about negotiating medical bills [here](#).

QUESTIONS FOR THE BILLING DEPARTMENT



- Do you offer a prompt-pay discount if I pay the balance in full today?
- Can you provide an itemized bill so I can review it for errors?
- Do you offer financial assistance or a charity care program based on income?
- Are there interest-free payment plans available directly through your office?
- Can you match the Medicare rate or the insurance-negotiated rate for this service?
- Is there a cash discount for self-pay patients?
- If I can't pay the full amount, can we negotiate for a lower total?
- If I hit a hard time down the road and am unable to pay, can the terms be re-negotiated?

MEDICAL PAYMENT PLANS

When you are faced with a large medical bill, your first instinct might be to use a credit card or a personal loan. However, working directly with your provider to set up a payment plan is often a better option. Unlike third-party lenders, healthcare providers are usually more interested in clearing the balance than profiting from interest.

Payment plans allow patients to pay medical bills over time in monthly installments rather than in one lump sum. Most healthcare providers offer these arrangements directly, and they're typically interest-free and do not require a credit check.

When negotiating terms with the billing office, be honest about what you can realistically afford. Agreeing to a payment you cannot maintain increases your risk of default. Depending on the balance, these plans can span a few months or several years, typically managed via automatic withdrawals or monthly invoices.

It's best to contact the billing department as soon as you receive a bill, before it becomes past due. Many providers are more willing to work with patients who reach out proactively.



COMMUNITY RESOURCES

Look into community health centers, which offer services on a sliding fee scale based on income. Free clinics, nonprofit organizations, and religious institutions sometimes provide basic healthcare services or help connecting patients with affordable care options. Find out if you are eligible for more resources [here](#).

CROWDFUNDING

Platforms like GoFundMe, GiveForward, and CaringBridge have become common for medical expenses, particularly for critical illnesses or expensive treatments not covered by health insurance. However, there is no guarantee you'll raise what you need and funds raised may be taxable depending on circumstances. This works best when you have a strong network willing to share your story.

Curious about other topics? PAF's [Education Resource Library](#) houses our resources and provides straightforward information in a variety of formats to help you make informed decisions throughout your healthcare journey. Learn about health insurance, disability, medical bill management, and more by visiting our Education Resource Library today. Call us at 800-532-5274 (Monday through Friday, 8:30-5 Eastern) or visit www.patientadvocate.org for help!

