

The reality of the current health care climate in America is that both the patient and provider need to address the issue of treatment costs prior to beginning a course of therapy. The cost of treatment should not be the limiting factor in determining a patient's care. However, it does need to be a consideration. We recognize that providers want to provide their patients with the best quality of care available for their patient's condition, and patients want the best treatment available for their diagnosis. We hope that this brochure is a beginning in helping both the patient and provider talk freely and openly about costs associated with care.

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**Editors Note:** This is one in a series of brochures that was begun in 2003 in response to frequently asked questions by our patients. Each publication is intended to provide general but informative responses. They are written in plain language so that the user can better understand the content.

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# A Greater Understanding

## Back to Basics: A Primer of Questions for Providers to Ask When Discussing HealthCare Treatment Costs With Patients



**PAF Patient Advocate Foundation**

Solving Insurance and Healthcare Access Problems | since 1996

# A Greater Understanding

#### ■ Mission

Patient Advocate Foundation (PAF) is dedicated to ensuring that all Americans have access to health care. Case Managers are available to assist patients affected by chronic, debilitating, or life-threatening diseases by empowering them to make informed decisions regarding their health care options.

#### ■ INTRODUCTION

Historically, there have not been open discussions about the cost of health care treatment and how this may affect the decisions being made. However, recently there has been a change of opinion on this subject. This is a new day in health care delivery in the United States. Patients and providers need to recognize that their roles and responsibilities have changed. This document has been written to help both groups have a simple conversation about the costs of medical care and treatment as well as the patient's financial liabilities.

Providers themselves have not traditionally addressed the cost of required treatment with patients. These discussions have been reserved for office staff, insurance representatives, and human resource personnel. For years, PAF has helped patients who are well informed but are still looking for answers. They ask, "What will this cost me?" or "Can you help me determine my out-of-pocket expenses?" The best PAF could do was to look at the plan language and identify the co-pay, deductible, stop loss, premiums, and out-of-pocket maximum.

America is moving towards a team approach for health care services, because of multiple locations and providers. Therefore, it is becoming more difficult to determine cost and what out-of-pocket requirements patients are responsible for.

#### ■ GETTING STARTED

Remember that when talking to patients or their caregivers, they are a family. They want to know from you, a medical professional, what their treatment options are. As a health care provider, it is important to gain a patients' trust. Encourage them to see the provider-patient interaction as a partnership. This will ensure the open and honest communication necessary to achieve cooperation and treatment success.

#### ■ GETTING READY TO TALK WITH YOUR PATIENT

There are fundamental steps you need to take to prepare for a good discussion with your patients

- Let your patients know you welcome their questions and participation.
- Encourage them to voice their concerns or questions. These can be about the proposed treatment or about their ability to afford it.
- You can help your patients understand next steps and what the possible outcomes might be. You can also help them reach a decision on how they want to proceed with treatment.
- Being respectful will greatly encourage your patients to explain symptoms, take responsibility for decision making, and follow through with instructions.
- Patients may be embarrassed to discuss personal issues including financial concerns.
- Some patients think it is inappropriate to question their health care providers. Remove this misconception.
- Nothing is more alarming than trying to recover from surgery and being hit with unexpected expenses. Make sure that someone in your office discusses the charges that the patient will be expected to pay. If necessary, set up arrangements prior to beginning treatment.

- Explain the treatment options and the cost of each of these treatments.
- Discuss the risks and benefits. Does one of these options have better results?
- Make sure you know which providers and facilities are in your patient's network.
- Consider accepting the Medicare allowable charge as payment in full and allow the patient to set up payment arrangements to cover this amount.
- Your office may want to create a chart of insurance plan requirements to ensure proper referrals.
- Every year insurance plans, mostly "Advantage" plans, change their reimbursement level. Make sure you discuss these changes with your patients.

### Questions to ask regarding treatment

#### To Insured Patients

- What type of insurance plan do you have? Are we considered an in-network provider?
- Does your insurance plan require pre-authorization for additional treatment or testing? Does the request need to be submitted by your Primary Care Physician?
- Have one of your office staff verify insurance benefits and arrange a meeting to discuss approximately how much the patient will have to pay for the procedure or testing (if this is an elective procedure). This amount may vary based on the patient's insurance plan deductible and out-of-pocket maximum amount.

#### To Uninsured Patients

- Have you been screened for, applied for, or been accepted for any state or federal assistance programs?
- What is your ability to pay for the prescribed treatment? If not able to pay, do you have any hardship that would make you eligible for financial assistance?
- (If your office accepts payment arrangements), what can you reasonably afford?

- Is there going to be a transportation issue?
- Will your ability to pay for treatment affect your compliance with your treatment plan?
- Are you able to afford your medications? If not, there are programs that may be able to assist. Have you gone on-line to research programs? (If not, you and your office staff can help your patient with finding these.)

## ■ TYPES OF SERVICES

**Imaging/Radiology services** include a wide range of procedures. Understanding the type of insurance policy patients have and what benefits are available are ways to help control expenses, and ensure timely reimbursement for you or the facility involved. It is necessary to know how the insurance plan will reimburse for in-network as well as out-of-network costs.. (For example, if a patient makes a decision to use out-of-network providers, his or her insurance may not consider any charges if care is provided out-of-network for a HMO plan. It may reimburse some of the costs if insured under a PPO/POS plan.) To avoid any unnecessary surprises, your patient will want to determine out-of-pocket costs before your perform a test or procedure.

Lab and testing services include a wide range of diagnostic laboratory tests from simple blood chemistries to genetic testing to tests performed on a surgical biopsy. While lab tests are often considered standard care, there are ways you can help control costs. (For example, this might include using an in-network testing facility.)

**Prescription Medications**-Drug costs and new therapies have caused a rise in prescription expenses and cost shifting to the patient. The placement of a drug on a specialty tier has dramatic cost implications for enrollees. These increase costs may also affect some beneficiaries and have consequences for insurance plans as well as government spending. Patients are choosing to delay starting treatment. They often contact Patient Advocate Foundation due to concern about their ability to afford the out-of-pocket expenses associated with these higher priced drugs.

Access to pharmaceutical issues includes off-label indications and clinical trials. The continuing evolution of treatment methods has created an increase in requests for co-payment assistance. The increase in the number of medications and oral chemotherapy agents is forcing patients to use their prescription benefits for treatment when they previously used their major medical or Medicare Part B health benefit. When treatment can be administered in an outpatient clinic or physician's office, there is often an option to access a charity program or make payment arrangements rather than having to pay at the time the service is provided.

## ■ MEDICATION/OR CO-PAY ASSISTANCE

Make sure you advise your patients about the following:

- Understand and review their insurance plan. Does their plan require preauthorization for the medication?
- There are programs available to assist with out-of-pocket expenses associated with medications.
  - Co-pay relief programs
  - Discounted drugs
  - Generic equivalents (when doctor approved)
  - Mail order program (often a cost-saving measure)
  - Indigent pharmaceutical assistance programs
  - Samples of medications (available from your provider)
- For those with Medicare Part D, advise them to review the plan each year to ensure coverage has not changed or another plan does not offer better—i.e. most cost-effective—coverage.
- Apply for all available state and federal programs when financially qualified

**Below are some commonly used discount/free or co-pay programs available to patients.**

Needy Meds [www.needy meds.org](http://www.needy meds.org)  
Rx Assist [www.rxassist.org](http://www.rxassist.org)  
Partnership for Prescription Assistance [www.pparx.org](http://www.pparx.org)  
Rx Aid [www.rxaid.us](http://www.rxaid.us)

Listing of state pharmaceutical assistance programs can be found at:

[www.ncsl.org/programs/health/drugaid.htm](http://www.ncsl.org/programs/health/drugaid.htm)

familyWize (a prescription drug card that provides an average of 20% savings) [www.familywize.org](http://www.familywize.org)

### Disease-Specific Organizations

Heart Support of America (cardiac meds) [www.heartsupportofamerica.org](http://www.heartsupportofamerica.org)

Caring Voice Coalition (Pulmonary meds) [www.caringvoice.org](http://www.caringvoice.org)

NORD (specific medication/diseases) [www.rarediseases.org](http://www.rarediseases.org)

American Kidney Fund [www.kidneyfund.org](http://www.kidneyfund.org)

There are discounted—frequently \$4 for a 30-day supply—generic medications available at multiple retail outlets, including but not limited to:

Wal-Mart [www.walmart.com/pharmacy](http://www.walmart.com/pharmacy)  
Target [www.target.com](http://www.target.com)  
K-Mart [www.Kmart.com](http://www.Kmart.com)  
Walgreen's [www.walgreens.com](http://www.walgreens.com)

You should also contact your local supermarket pharmacy for discount programs they may offer. Many are mirroring the large chains listed above.

## ■ CONCLUSION

When dealing with cost, you may have additional questions. If they deal with employer-related medical insurance, you may want to talk with the patient's human resources representative. If your questions relate to a private or government health plan, advise your patients to seek assistance through advocates.

