

10 Ways to Cut Your Health Care Costs

No matter how you get your insurance through your employer, from a state exchange, from an agent or directly from an insurance company you're paying a bigger share of your healthcare costs than you used to. Higher premiums are only part of the picture. Deductibles are rising, provider networks are shrinking, and insurers have been switching from fixed dollar copayments to coinsurance, based on a percentage of the cost of care. Your out of pocket costs could rise significantly unless you learn some key strategies to become a better health care shopper. The following moves can help you save hundreds or even thousands of dollars.

Stay in Your Network

Many insurers are shrinking their networks and including fewer doctors and hospitals. "The most expensive health care mistake you can make is to go out of your health plan's network," says Jackie Aube, a senior vice president of Cigna. The cost difference can be huge. Preferred provider organizations (PPOs) usually let you use out of network doctors but charge higher copayments or coinsurance rates say, 50% for out of network care compared with 10% for in network services. If your plan is a health maintenance organization (HMO), you may not have coverage at all for out of network providers except in an emergency.

Find out about Super Preferred Providers

Your health plan may provide extra incentives for you to use certain in network providers or facilities. The United Health Premium designation program, for example, recognizes physicians that meet guidelines for providing high quality, cost efficient care, and you may pay lower copayments or coinsurance rates if you use those doctors.

Save at Standalone Radiology Centers

Different facilities charge vastly different prices for x-rays and tests. The average outpatient hospital cost for MRIs and CAT scans is \$1,384 to \$1,668, says Aube, but the average radiology center costs \$445 to \$725. And there can be a huge range between the highest and lowest cost in your area. For example, among all facilities within 25 miles of New York, the cost of a knee MRI ranges from \$238 at a freestanding radiology facility to \$2,191 at a local hospital.

Ask Your Doctor About Cheaper Facilities

Your doctor may work at several hospitals or outpatient surgery centers. While the surgeon's charge will be the same, "the hospital's fees can vary by thousands of dollars," says Aube. The cost may be even less at an outpatient surgery center, even though the same doctor is performing the procedure. For example, the average cost nationwide for a colonoscopy, GI endoscopy or arthroscopy in a hospital is \$2,548, but the average cost at an outpatient surgery center is \$959, she says. Make sure the facility you choose is in your insurer's network

Avoid the Emergency Room If You Can

Sometimes you can't avoid a trip to the emergency room. But you may be able to go to a much less expensive urgent care center or convenience care clinic for some types of care. Visit an urgent care center for conditions such as minor cuts, burns and sprains, fever and flu symptoms, joint or lower back pain, and urinary tract infections. You may pay even less at a convenience care clinic at a supermarket, pharmacy or other retail store, where a clinician can treat you for sinus infections, rashes, earaches, minor burns and other routine medical conditions, she says. Find out ahead of time which urgent care and convenience care clinics are included in your insurer's network.

Take Advantage of Telemedicine

Many health plans now offer 24 hour help lines staffed by doctors or nurses who can treat you by phone or online video chat. You can use this service for non emergency conditions, such as cold and flu symptoms, nausea and vomiting, sore throat, earache, and sinus pain. A doctor will prescribe medications, if appropriate. The average telehealth consultation costs \$40 to \$50.

Switch to Generic Drugs

Generic drugs can cost as much as 80% less than their brand name alternatives, says Aube. The lower list price makes a huge difference when you're in the plan's deductible period and paying the full price out of your pocket. And the coinsurance rates are usually lower, too often 10% to 15% of the cost for generics, 25% for preferred brand name drugs, and 50% for non-preferred brand name drugs. Some plans no longer cover certain brand name drugs. You may also get a good deal on generics at certain stores, such as Walmart and Target which charge as little as \$4 for a 30 day supply of certain drugs or \$10 for a 90 day supply.

Keep an Eye Out for New Generics

The patents for several popular brand name drugs Celebrex, Copaxone, Nexium, Actonel and Exforge are scheduled to expire soon, which will open the door for drug companies to manufacture generic alternatives. You can look into generic alternatives now for Cymbalta, Maxalt, Maxalt MPT, Micardis, Micardis HCT, Twynsta and Xeloda, whose patents expired recently and for which generics are on the market, says Jim Yocum, executive vice president of DRX. Most insurers have Web tools or apps to help you look up generic alternatives to your drugs.

Use Preferred Pharmacies

More health plans are introducing preferred pharmacies, which cost even less than regular in network pharmacies. For example, the Humana Walmart Rx plan for Medicare Part D charges a \$1 copayment for a 30 day supply of certain generic drugs purchased at Walmart or Sam's Club (or a \$0 copayment through Right Source mail order), but the plan charges a \$10 copayment for the same drugs purchased at a nonpreferred network retail pharmacy.

Get Your Drugs Through the Mail

Mail order pharmacies may provide a three month supply of drugs for the same price as a one month supply at a local pharmacy. Some plans require you to use mail order for maintenance drugs.

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