

Transcript: Lessons from “wrestling with a giant”

Dan: Hey there--

You know, sometimes experiments fail. And when we're lucky,

- (a) Nothing life-changingly awful happens, and
- (b) We learn stuff.

. That's the kind of story we've got today. It starts with a note from a listener named Sandeep Swami, who was in a fighting spirit.

Sandeep: the facilities are doing nothing but taking advantage of a vulnerable situation, right, which the patient is already in.

Dan: He was fighting a medical bill. And he had a question I didn't know the answer to. But I WANTED to know. And I knew exactly who I wanted to ask. It wasn't an academic researcher, or a lawyer, or whatever. It was somebody whose credentials were a lot more ... informal. One of my favorite people I've ever talked with for this show. I wanted to put her together with Sandeep. In the end, Sandeep's experiment didn't work out the way he'd hoped. He was disappointed, but he'll be OK. Meanwhile, we did get the answer to that question, we had a great conversation with that expert... and we learned some useful lessons.

This is An Arm and a Leg-- a show about why health care costs so freaking much, and what we can maybe do about it. I'm Dan Weissmann. I'm a reporter, and I like a challenge. So our job on this show is to take one of the most enraging, terrifying, depressing parts of American life, and bring you something entertaining, empowering, and useful.

Sandeep lives in the Bay Area, works in software, came to this country from India fourteen years ago.

Sandeep: I'm basically an immigrant. And so the whole system over here was kind of completely new to me.

Dan: He was used to something a little more basic, but adequate-- and way more affordable. The last few years, he's had a high deductible insurance plan, and it's gotten him VERY interested in learning more about how to avoid getting ripped off.

Sandeep: you start seeing those big numbers being billed to you and you kind of get uncomfortable paying those large amount.

Dan: He's been listening to our show, and he's been reading a book we've talked about here: Never Pay the First Bill, by reporter Marshall Allen. I wouldn't say it had all left him itching for a fight, but...

Sandeep: I had this in mind that, hey, the next time I have a situation where I had to walk into a facility, uh, I'm kind of better prepared

Dan: Then, last spring his daughter wasn't feeling well -- she was eleven at the time. Just a cold, a cough at first. But her usual medicine-- an inhaler-- wasn't working like it usually did. And the cough-- it was keeping her awake

Sandeep: about four or five in the morning. She was still not able to sleep with coughing

Dan: It got to be like 4 or 5 in the morning, and Sandeep was like, OK. I guess we better get her seen. Now. The trip to the ER was uneventful, and short.

Sandeep: the whole consultation lasted probably about six, seven minutes.

Dan: The doc said, she's gonna be OK. Maybe up the frequency with the inhaler. That was it. Sandeep's daughter gets better.

A few weeks later he gets a bill: One thousand three hundred thirty-nine dollars. And this bill doesn't include the doctor's services. That was a separate bill-- maybe sixty bucks, which he says he paid right away.

This is from the hospital. And what did they do for him, exactly?

Sandeep: there was no IV, no injection, nothing. There was nothing which was given to us from the emergency facility. And the only recommendation we got, hey, use over the counter medication.

Dan: So, Sandeep's like, OK, I'm gonna fight this.

Sandeep: I think I can afford to pay this amount. There's no questions that I, I won't be able to but I think it's more like a principle thing

Dan: I'm not gonna go through all the work Sandeep had already done before we talked. But it was a LOT.

First, he checked: Was this charge even correct?

He got an itemized bill, looked up the billing codes, found out he was being charged a "facility fee" -- like a cover charge just for walking into the ER.

It's legal.

In fact, hospitals will tell you: This is how they keep the lights on. And all the life-saving machinery running. And how they keep the nurses and other staff paid. All the people and equipment they need to keep at the ready for WHATEVER walks through the door.

In any case, Sandeep was like, thirteen hundred bucks?

He made all the phone calls: to the hospital, to his insurance, to a bill-mediation service from his employer.

They all told him the same thing:

Sorry, man. 13 hundred bucks is the amount your insurer pays for that code.

Sandeep: you haven't met your deductible. You had to pay, and this is the amount.

Dan: He was like, yeah but it's ridiculous.

Sandeep: I said, even if I rent a hotel for a day, with all the facilities, it's not going to come to this price at all.

Dan: So even if there's no *error*, he wants to put up a fight. He goes looking for ammo: data that could show the price he's being charged is unfair.

And because Sandeep has really been following stuff, he knows: A federal order that went into effect last year requires hospitals to lay out a lot of pricing information for certain services.

Like, what they actually charge different insurers. And what they charge people who don't have insurance.

He finds the file. And it's a good thing for him that he's a software engineer. Because this file?

Sandeep: it's not in a readable format. It's like the binary

Dan: Yeah, it's a binary file-- pure code. Readable by machines, but not people. And yes, it's legal for them to post it in that format.

Sandeep puts his work skills to use, decodes the file. And he learns this hospital charges people who don't have insurance about a thousand dollars less than what they want from him.

And he wrote to me because he wanted to know: How could he find out what they accept from Medicare?

And I was like, ooh, wait. I actually don't exactly know. I know you CAN. And I know it's a really good thing to do: If you're negotiating a medical bill, that could be a good data point to have.

It's a price the other side definitely accepts, that's gonna be a lot lower than what they're charging you.

Medicare prices are set by the government, and they tend to be a lot lower than the rates hospitals and other providers negotiate with insurance companies. Because with Medicare, they don't get to negotiate.

The government does its studies, decides on what it thinks is reasonable, and says: Here, take it or leave it. Actually, take it or leave Medicare.

Now, hospitals sometimes say they get screwed on Medicare rates ... but they all accept them.

They might not accept that rate from you, but if you're gonna try to negotiate a bill -- or fight it-- it seems like a data point you might want.

So I wanted to know how to find it too.

And it seemed like an opportunity to re-connect with one of my favorite sources ever.

That's the behind the scenes star of one of the first stories I ever did for this show -- and it's a story I especially enjoyed making. Partly because I got to report it at a Renaissance Fair.

Rennie 1: Have you gotten the chance to speak with Robin Hood yet? Robin, come forward.

Dan: That's right after this.

This episode of An Arm and a Leg is a co-production with Kaiser Health News--

That's a nonprofit newsroom covering health care in America.

KHN is not affiliated with the giant health care outfit, Kaiser Permanente.

We'll have more information about KHN at the end of this episode.

OK, this very early Arm and a Leg story starts with me at the Renaissance Fair.

Robin Hood: And you're having fun

Dan: for sure.

Yeah, I'm talking to Robinhood.

Robin Hood: Awesome. Yes

Dan: If you've heard the story, you may remember: The people who work at these fairs, Rennies, have developed a kind of hand-crafted medical-bill safety net.

They need one. They don't all earn a lot of money. The gig doesn't come with insurance. And they're handling swords and flaming torches, and what-not.

Part of the Rennie system is, they pitch into a kitty to help cover each other's medical bills. Like half a million bucks over a five year period.

But the other part of their system is what's really impressive. Because in that same five-year period, they made more than two million dollars worth of medical bills disappear.

The wizard responsible for that trick is Kaelyn Globig. She's a former Rennie herself, and she does all this part time -- she also works as a real estate agent.

My first interview with Kaelyn may be the single most educational, influential conversation I've ever had in reporting for this show. This especially stuck with me.

Kaelyn Globig: I love this job because I am so appalled at the way it, they try to work our medical system. Um, I like to be on this side of it. The one that's kind of fighting for the, you know, for the little guy.

Dan: That's it right there, the direction our whole show has taken. Kaelyn's the person who introduced me to the whole idea of using negotiation, and advocacy, and our wits to defend ourselves-- and others -- against wild medical bills.

Including by getting an itemized bill, with billing codes. In fact, here's what she said:

Kaelyn Globig: I look up those codes and I see how much Medicare will pay for those.

Dan: This, I think, is what gave Sandeep the idea to call me. So I was EXTREMELY PLEASED to introduce them. I got the three of us together on Zoom, and Sandeep told his whole story.

Kaelyn definitely loved meeting him.

Kaelyn Globig: well first of all, give them held Sandeep. I am so happy to hear, that you have tried to exhaust every avenue.

Dan: And she was ready to show us how to find out what Medicare pays

Kaelyn had sent us a cheat sheet ahead of time. Including a link to a special page on CMS dot gov-- that the site for the Centers for Medicare and Medicaid Services.

It was like she led us to a secret door. Now it was time to go through it.

Kaelyn Globig: So what you wanna do is scroll down, um, in the first page here,

Dan: I am not gonna make you listen to our whole journey.

Kaelyn Globig: Just scroll down and click

Accept

or read it if you'd like. I've never read that.

Dan: I am going to refer you to Kaelyn's cheat-sheet-- a how-to document. We'll post that wherever you're listening, and to arm and a leg show dot com.

For now, I'll just tell you: about four and a half minutes after we found that secret door, we landed here.

Kaelyn Globig: Yeah. So as you see that \$1,339 service, our government has deemed a fair price for the service that you received is,

SANDEEP: Wow.

KAELYN: 40...

Dan: it

Kaelyn Globig: did it say? 45

Dan: \$45 and 91 cents?

Kaelyn Globig: That's it. Yep.

Dan: Holy

Kaelyn Globig: They are charging you two to 10 times more usually than the fair price.

So this is our

Dan: This is more like, more like 20 or 30 times more.

Kaelyn Globig: right? Right. Yeah. I mean, just astronomical.

SANDEEP: It's so crazy.

Dan: Sandeep said seeing this did strengthen his resolve to fight

Sandeep: I mean, you look at the Medicare price , it's not even two times, not even three times.

It's like several times the amount. So it just not right.

Kaelyn Globig: Nope, you're right.

Dan: Now, a hospital might say: That 46 dollar medicare rate is the REASON we demand such high rates from insurance companies like Sandeep. We're getting killed, and we've gotta make it up somehow. It's an argument I hear a lot. Kaelyn has a different caution.

Kaelyn Globig: I Love what a hard time you're giving them. Sandeep. This is so great. Um, unfortunately you are wrestling with a giant,

Kaelyn says, that's not something she tends to take on. When she looks up Medicare prices, it's not for fighting with a hospital, arguing that their rate is too high.

She uses Medicare prices when she's advocating for someone who doesn't have insurance. It's a way of making an offer of something they can pay, even though they can't pay the amount on the bill.

Kaelyn: I write them a letter and just let them know I cannot afford to pay this amount. I'll ask them to please consider accepting Medicaid prices from me.

Dan: Actually, Kaelyn means Medicare, government insurance primarily for folks age 65 and up. Medicaid is government insurance for low-income folks.

It pays even LESS than Medicare -- -- and a lot of providers don't take Medicaid at all.

So Kaelyn asks them if they'll consider taking Medicare prices, for someone who just doesn't have insurance. She writes a letter, asking please.

Kaelyn: And a lot of times they'll say yes.

Dan: And usually, she's not approaching big hospitals this way.

Kaelyn: Um, these are smaller, you know, this is the doctor's offices, the radiologists, you know, the smaller businesses, and service providers, hospitals a little more difficult and every hospital's different.

Um, but it's worth trying. I mean, I, I'd still write a letter and send it to somebody who I hope would look at it, yeah, my, my experience, it's, it would be difficult to get them to agree to negotiate lower prices,

(Sandeep laughs)

Dan: Sandeep was not exactly sure what would happen next, or what he was gonna do.

Sandeep: time is running out for me, so I think I still have maybe about two weeks time before it goes to collections.

Dan: That was a few months ago. About a week after we talked, Sandeep heard from the hospital. They were offering him half off. He said he'd think about it.

And he did. A week later, he was just about ready to say yes. And then he got a letter from a collection agency, demanding the whole thing.

Sandeep: I was really upset. I was thinking about, okay, let me get over this. Let settle this amount. , and then the next day I see this letter I was totally kind of pissed off uh, by looking at it,

He sent them back a very firmly worded letter, told them he was disputing the debt. Demanded a bunch of information from them, before he would consider paying, the details of their state license as a debt collector.

Sandeep: , provide the date of the license, the name on the license, the license number,

Dan: He sent it certified mail, called to confirm that they had it.

That was two months ago. And that's it so far. He hasn't heard from them, or from the hospital.

Sandeep: nothing. Zero. Zero letter. Zero communication.

Dan: He wondered: Where does that leave me?

I mean, I have to say, I wondered for a minute: Is he off the hook?

And I called another great pal of the show, who happens to be an expert.

April Kuenhoff: my name is April Koff and I'm a staff attorney at the National Consumer Law Center.

Dan: She said, basically, Sandeep's not really in the clear.

For one thing, the law doesn't say he's entitled to all the information his letter demands, and that if he doesn't get it, the debt's not valid.

April Kuenhoff: and, you know, just because somebody stops contacting you doesn't mean that the issue has gone away, unfortunately.

Dan: Saying you dispute a debt doesn't mean you win.

Which, April says, doesn't mean you shouldn't do it! Especially when the other side might actually be in error.

April Kuenhoff: there's so many reasons you could have. Questions about whether you owe the money is this the right amount? Should my insurance have covered more? You know, was I billed the wrong rate? Was I billed for services not received? and, if you have those questions, then absolutely file a dispute.

Dan: We're on to a whole nother topic: Dealing with debt collectors. But I'll note: NCLC has sample letters --editable templates -- that you can use. We'll link to them from wherever you're listening to this.

Meanwhile, Sandeep's in a kind of limbo, after all his fighting.

Sandeep: it didn't turn out the way I wanted. Not to even a minimum, uh, degree,

Dan: He may go back to the hospital and see about settling for half. And if he could do it all over again, he probably wouldn't do it the same way.

Sandeep: it's a lot of time, effort. Um, it's unnecessary stress, I should say.

Dan: Yeah.

So, I'm saying: Sandeep's experiment -- just duking it out when a bill struck him as ridiculous -- did not pan out. But he'll be ...OK.

And he says did take a lesson from the experience -- he calls it a silver lining: If or when he has to go to the ER again for something that's not huge and life-threatening:

SANDEEP: I wouldn't share my info, uh, insurance information. I would insist on the cash pricing.

DAN: That seems worth considering, as long as you're sure you **COULD** give them insurance later, like if they say, "Actually we need to check you into the hospital right now."

... because they need to treat you for something where the charges might blow way past what you could pay cash for-- and way past your deductible.

And because Sandeep shared his story with us, we learned a few things.

We learned about the limits of just duking it out— of trying to wrestle with a giant.

We learned a little about certain tools — finding the Medicare price, sending a dispute letter to a debt collector— about where they are and aren't likely to be useful.

And we pulled in tools and guides for when they **ARE** handy:

Kaelyn Globig's cheat-sheet for finding out what Medicare pays for something, plus those sample letters from April's organization.

And, we reconnected with Kaelyn, who was awesome.

On the way out, I'll share a couple of bonus tips from her that could come in handy next time you're calling somebody about a stupid medical bill.

The first one? We've heard it Ph abefore, but it's worth repeating: If the person you're talking to is a total pill, just end the call, and try getting someone else.

Kaelyn Globig: I've gotten the most unhelpful, rude. um, just stonewalled people. Um, and I just, I, I politely hang up and call back, uh, because there a

good chance that there are more than one operator manning that, um, that department.

And sometimes it's just the biggest difference is just getting the right person, um, that's willing to help and listen.

And Kaelyn's second bonus tip, I especially loved: Bring an advocate with you to the call. It can be anyone. Here's how it came up.

Kaelyn Globig: somehow even just being, you know, I say I'm a patient advocate, um, and just saying that sometimes they like straighten up a little bit.

Dan: I wonder if it would be a good tactic to kind of try in general. You know, to be each other's ad to kind of recruit somebody to play that role...

Kaelyn Globig: it's me and my patient advocate's on the phone right now, and

Dan: yeah. Right. Which, you know, my patient advocate could be like my spouse. Um, they don't have to know that

Kaelyn Globig: yeah. , your friend, your neighbor,

Dan: Ya know what I mean? I'm definitely taking that one with me.

Meanwhile, I'm headed to Houston, to meet Dr. Ricardo Nuila. He says we talk about how, what if we had a medical system that didn't revolve around money, around billing?

And he says, actually we have one. It's just not evenly distributed. But that's where he works.

He practices at Ben Taub Hospital -- a publicly-funded safety net hospital in Houston. He says it's not perfect, but it's where he *wants* to work. And he's just written a book about it, called *The People's Hospital*.

That's next time, on *An Arm and a Leg*.

Till then, take care of yourself.