

Avoid Being Stuck with Balance Bills and Mountains of Paperwork

When it comes to hospitals, free-standing emergency facilities, and other medical providers, consumers are reminded to always check and make sure their medical provider is “in-network” prior to obtaining medical treatment. Participating in-network doctors, hospitals, or other medical service providers are contracted with the health insurer to provide services at an agreed upon rate. This becomes especially important considering an “out-of-network” medical provider could balance bill the consumer for services including the remaining amount of their treatment cost, beyond deductibles, co-pays and co-insurance.

“Accepting” a health insurance plan does not mean the plan is a participating plan or in-network. Understanding the difference between “accepting” and “participating in” a plan may help to prevent consumers from getting stuck with large balance bills.

A health insurance company typically negotiates reimbursement rates with a provider, meaning that the medical provider agrees to receive a certain amount of money for their services by the insurer. If the insurer and the provider do not have that agreement, the provider may charge a higher amount. The insurer may pay for some of the bill, but the patient often will be required to pay the remaining amount as billed by the provider. These bills are usually higher and the medical provider or facility can set that price at its discretion. The patient is then responsible to pay that higher cost or “balance bill.”

Some insurance plans selected for coverage are less expensive because those plans often have specific hospital agreements. Consumers are urged to take time to know which emergency rooms are in-network before one is needed. This information may become even more valuable as “free-standing” emergency rooms become available in Nebraska. Those facilities often have no contracts with insurance companies, and patients can be charged for the balance of the bill.

Although it is not always an option during emergency situations, planning ahead and staying within a plan’s network, where possible, will result in consumers saving money.

More Information

Consumers who have questions about balance billing are encouraged to contact the Nebraska Department of Insurance for further information. The Department can be reached at 402-471-2201, or on its toll-free consumer hotline at 1-877-564-7323. Additional insurance-related information can also be found at doi.nebraska.gov.