

How to Reduce Your Healthcare Spending



Being a savvy consumer in your healthcare purchasing decisions provides you with information and incentives to choose healthcare providers based on value. Value is not only about price but also includes quality. You can save money on your healthcare expenses by finding and employing physicians and other providers who believe in the free market. The tips listed below are a few of the many ways to lower your out-of-pocket expenditures and possibly your future premiums.

Ask the Price First

You can shop around for healthcare services just like you do with anything else you buy. Many insurance plans do not require you to use the provider your doctor refers you to or recommends. For example, if you need an MRI, there is no need to utilize a high-priced hospital when the free-standing imaging center a few miles away may cost much less. Let your physicians know that you want to shop around for the best value, and they can write orders any imaging center can follow. Call ahead to each imaging center and ask about the costs. If you are a cash paying customer, let the facility know and you will often get a better deal. This strategy works for most, if not all, non-emergency services such as imaging, labs, outpatient surgeries, sleep studies and outpatient testing.

Use Online Tools to Help Shop for Services

Healthcare Blue Book (www.healthcarebluebook.com) is an online tool that prices healthcare in a similar way to how Kelly Blue Book prices automobiles. This particular tool, which gives you fair price information for services in your zip code, can help you:

- Understand your treatment options
- Understand the fair price for a specific healthcare service
- Work with your doctor to use a fair price provider

Get Your Labs at a Non-Hospital Setting

Just like with imaging providers, there are many free-standing or independent laboratories and draw

sites that can save you money. Even when your physician draws the labs in the office, have a discussion about the cost of the lab he is utilizing. If you feel you can get a better value elsewhere, your physician can write the lab orders for you to use at any independent laboratory. Often the charges at these independent sites are about a 50 percent savings.

Try to Stay In Network While Being Open to Other Options

Your health plan will likely provide a better benefit when you utilize an in-network provider. However, staying in network does not always mean the best value for your healthcare dollars. If there is a provider that can save you money but is out of network, it still may be a better long-term value to utilize this provider.

You may even be able to submit receipts for care to your insurer for reimbursement or deductible credit. Is your employer self-funded? If so, let them know about cost-effective providers you find as they may be able to directly negotiate with the provider and have the claims classified as in network. Self-funded employers save money directly when employees utilize high-value providers.

Healthcare is one of the costliest things we buy but it doesn't need to be. Become a better healthcare shopper by making a few phone calls and knowing your options, which can ultimately result in significant savings.

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