

Ten Ways to Trim Your Health Care Costs

by Devon Herrick, Ph.D.

The one expenditure that a lot of people assume they have little or no control over is health care costs. Yet, a little common sense and a healthy dose of consumerism can reward savvy shoppers with significant savings without sacrificing care.

- 1. Insurance options:** Check your insurance plan; the end of December marks the end of open enrollment at many companies. For those insured through an employer, review your health plan choices. A Health Savings Account (HSA) might save you money over a PPO or HMO, especially with employer contributions. I have saved more than \$9,000 during the past four years by taking advantage of my HSA. If on a non-group plan, shop around and consider increasing your deductible to reduce your premium and still maintain major medical coverage.
- 2. Ask about cash rates and discounts:** If uninsured, negotiate in advance of receiving care; check the Internet for discount card programs that lower costs at hospitals, pharmacies, labs and retail clinics.
- 3. Shop for better prescription deals:** There are many ways to reduce prescription drug costs. For example, consider therapeutic alternatives and/or generics. Compare prices among local pharmacies and reputable online sites. Rx-aminer.com has free pharmacy cost comparisons. Numerous pharmacies now have generics for as little as \$4 per monthly supply, and \$10 for three months. Even if you have insurance, these low prices can sometimes beat the negotiated insurance rates.
- 4. Ask your doctor about generic versions of your medications:** For brand name drugs, ask your doctor for samples (Note: free samples are generally not available in generic form). Also, go to the drug manufacturer Web site and check for discount coupons, rebates and cost assistance programs.
- 5. Cut office-visit costs:** Retail clinics (such as MinuteClinic or RediClinic) or telemedicine services (such as TelaDoc) can cost significantly less than traditional office visits. A visit to a walk-in clinic can result in a bill that is less than half of what you'd see from a doctor's office visit and a fraction of emergency room treatment. TelaDoc is about \$35 per consultation.
- 6. Shop for diagnostic procedures and lab work:** Call around and check prices for both cash and your insurance plan's negotiated rate. Paying upfront and/or filing insurance forms yourself may save significant costs. If you are getting any kind of procedure, make sure -- in advance -- that all providers are in-network -- including the anesthesiologist.
- 7. Take advantage of health fairs:** Many cash-pay diagnostic facilities and health fairs offer wellness health screenings, lab work and diagnostic imaging at significantly reduced rates. Some services can even be free. Screenings are often bundled with prices up to 80 percent less than hospitals or clinics.

- 8. Medical tourism:** If your deductible is high or you're uninsured, consider traveling to another country where the cost of performing surgery can be a fraction of the cost of same procedure in the U.S. India and Thailand are considered the best value, but countries such as Mexico and Costa Rica are partnering with prestigious American hospitals to offer high quality health care for 50 to 80 percent less.
- 9. Do your homework:** Search reputable Web sites for information that can help you ask more informed questions and prevent an unnecessary office visit. There are growing numbers of social networking Web sites dedicated to information on specific medical conditions.
- 10. Become an active, less-passive patient:** Learn to help manage chronic conditions, such as asthma, GERD, allergies or diabetes. Active participation in the daily treatment of your illness can help minimize costly and dangerous complications.
- 11. Consider OTC options:** Ask your pharmacist about resources available over the counter. There may be drugs or diagnostic tests that can help with managing some temporary and chronic illnesses, and cost a lot less than prescriptions.

The bottom line is to do research and ask questions; a little work can help take some sting out of the post-holiday bill budget bite. If you resolve to make yourself a smarter health care consumer in 2009, you will be taking steps to improve both your health and your finances in the coming year.

Devon Herrick, Ph. D., is a senior fellow with the National Center for Policy Analysis and a preeminent expert on 21st century medicine, including the evolution of Internet-based medicine, consumer driven health care and key changes in the global health market. He was among the first to identify and publish in-depth studies on medical tourism, telemedicine, and "shopping for drugs" strategies.

As a health care economist, Dr. Herrick is a preferred speaker on health policy issues and his comments have appeared in hundreds of newspapers nationwide as well as on television and radio. He writes regularly on health policy for the NCPA and other research organizations, and is a contributing editor of Health Care News and a regular contributor to NABE News.