

Universal Solutions

Leveling the Healthcare Playing Field



Your Legal Rights



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Patient Billing Rights under Federal Law

Medical billing disputes involving individuals are covered by the dispute settlement procedures set forth in the federal Fair Credit Billing Act (FCBA), which is enforced by the Federal Trade Commission (FTC).

The following information, except for the last three paragraphs at the bottom of the page, is based on materials found at the FTC's Web site.

The FCBA dispute settlement procedures apply to such matters as the following:

- unauthorized charges
- charges that list the wrong date or amount
- charges for items that you didn't accept or that weren't provided
- charges containing mathematical errors charges for which you ask for an explanation or for clarification
- charges for which you ask for documentation about something which you believe is an error

To take advantage of the dispute settlement procedures, you must do the following:

- write to the hospital at the address given for "billing inquiries," not the address for sending your payments;
- include your name, address, account number and a description of the disputed charge(s); and
- send your letter so that it reaches the facility less than 60 days after the first bill containing the disputed charge(s) was mailed to you.

In addition, you should send your letter by certified mail, return receipt requested, so that you have proof that the facility received it. You should also keep a copy of your letter.

The hospital must acknowledge your letter in writing within 30 days after receiving it, unless the dispute has been resolved before then. The facility must resolve the dispute within 90 days after receiving your letter.

What happens while the facility is investigating the disputed charge(s)?

While the facility is investigating, you do not have to pay the disputed charge(s), but you must pay the undisputed charges. While it is under investigation, the facility may not take any legal or other action to collect the disputed charge(s).

Will your credit rating be affected?

The facility may not threaten your credit rating or report you as delinquent while your bill is in dispute. The facility may, however, report that you are challenging your bill. In addition, the Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants who exercise their rights, in good faith, under the FCBA. You cannot be denied credit simply because you've disputed a bill.



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What happens if the facility agrees with you about the disputed charge(s)?

You do not have to pay any charge(s) that the facility finds erroneous. Nor do you have to pay any finance charges, late fees or other charges related to the erroneous charge(s).

What happens if the facility disagrees with you about the disputed charge(s)?

If the facility says, after its investigation is completed, that some or all of the disputed charge(s) are correct, the facility must explain to you promptly and in writing why they are correct. You may ask for copies of any documents on which the medical provider's explanation depends, so that you can examine them. At this point, however, you will owe the portion of the disputed charge(s) that the facility says is correct. You may also owe any finance charges, late fees or other charges that accumulated while the facility was investigating.

What happens if you refuse to accept the medical provider's explanation?

If you disagree with the results of the investigation, you may write to the facility, saying that you refuse to pay the charge(s) that you still dispute. You must do so within 10 days after receiving the medical provider's explanation. At this point the facility may begin collection procedures against you. If the facility reports you to a credit bureau as delinquent, however, the report also must state that you don't think you owe the money. The facility must tell you which credit bureau gets the report.

What happens if the hospital fails to follow the procedures set forth above?

Any medical provider that fails to follow the settlement procedures may not collect the amount in dispute, or any related finance charges up to \$50, even if the bill turns out to be correct. For example, if a facility acknowledges your complaint in 45 days -- 15 days too late -- or takes more than 90 days to resolve a dispute, the penalty applies. The penalty also applies if a facility threatens to report -- or improperly reports -- your failure to pay to anyone during the dispute period.

Can you sue a medical provider that violates the FCBA?

Yes, you can. If you win, you may be awarded damages, plus twice the amount of any finance charge -- as long as it's between \$100 and \$1,000. The court also may order the hospital to pay your attorney's fees and costs. If possible, you should hire a lawyer who is willing to accept the attorney's fees and costs awarded to you by the court as the entire fee for representing you. Some lawyers may not take your case unless you agree to pay their fee -- win or lose -- or add to the court-awarded amount if they think it's too low.

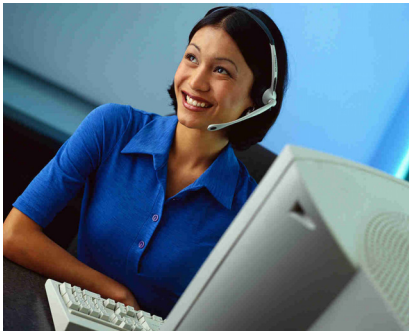
If you try to dispute your medical bills yourself, will you know which charges to dispute? Will you know why and how to dispute them? Will you know how to deal with the medical provider's explanation of why the charges are correct? If you don't, you may wind up having to pay the entire original amount of the bill, plus finance charges, late fees and other charges. As patient advocates, we know which charges to dispute, why to dispute them, how to dispute them, and how to deal with the medical provider's explanations.



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If you have questions regarding this information,
or if you would like to know how we can be of service,
please contact UNIVERSAL SOLUTIONS



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