

# 21 Hacks to Reduce Your Health Care Costs This Year

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February 23, 2016

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More than 43 percent of Americans recently polled by GOBankingRates (<http://www.gobankingrates.com/personal-finance/over-40-americans-expect-pay-healthcare-2016/>) said that they expected to pay more for health care costs this year, while less than 20 percent anticipated that their costs would go down. There are plenty of reasons to expect health care costs will go up: Employers are shifting a greater share of costs onto their workers, the prices of drugs and medical procedures continue to rise and our aging population has greater medical needs.

Still, there are ways to fight back against rising health care costs. Read on for 21 health care hacks that can help you slash your bills in 2016.



## 1. Use Generics

If your doctor prescribes you a brand-name drug, ask whether it would be OK to use a generic substitute. Generics can be significantly less expensive, and often there's no difference in outcome. Medicare enrollees who opted for generic drugs saved an average \$1,923 per person in 2014, according to a report by the Generic Pharmaceutical Association.

***Read: 10 Ways to Survive Rising Health Care Costs (<http://www.gobankingrates.com/personal-finance/10-ways-survive-rising-health-care-costs/>)***



## 2. Stick With In-Network Providers

Your insurer has deals with certain providers that will give you the best price and guarantee that the treatment will be covered. Going out of network almost always means that you'll have to pay higher prices. Out-of-network providers charge patients on average 300 percent more, or higher, than the Medicare rate for many procedures, according to an analysis by America's Health Insurance Plans, a trade association representing the health insurance industry.





### 3. Ask for 90-Day Prescriptions

Breaking down the monthly cost, you'll likely pay less for a prescription for 90 days' worth of medicine than you will for a 30-day supply. Plus, you'll only have to pay your copay once instead of three times.



## 4. Get Moving

In addition to causing poor health, living an inactive lifestyle can have a dramatic impact on your medical bills. Sedentary adults pay \$1,500 more per year in health care costs than adults who are physically active, according to a recent study by health advocacy organization Trust for America's Health.





## 5. Get a Pet

Not only can it be rewarding to have a pet, it can have tangible health benefits, too. The decline in office visits and the reduced frequency of obesity associated with pet ownership can lead to a health care savings of about \$86 per year, according to a recent report from the Human Animal Bond Research Initiative Foundation.



## 6. Shop Around for Care

For elective procedures, shop around to find the best price, and quality, for a procedure within your insurance network. Start by checking Healthcare Bluebook (<https://healthcarebluebook.com/>) to get a sense of what a fair price for the procedure might be in your geographic area. Then call around to a few providers, and ask for a quote based on your health insurance.

“Even if you have insurance and you play by the rules, you could still pay five to 10 times more than you should if you don’t shop for care,” said Jeff Rice, CEO of Healthcare Bluebook.



## 7. Check Your Bill for Errors

Nearly half of Americans say that they've received an inaccurate health care bill, according to a Wolters Kluwer Health poll. Protect yourself from overpaying by carefully reviewing every bill that you receive and disputing any potential errors. If anything looks off, or you don't understand a charge, contact the provider.





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## 8. Carefully Select a Health Care Plan

When it comes to deciding on a health insurance plan (<http://www.gobankingrates.com/retirement/401k-health-care-save-money-open-enrollment/>), choosing the correct one upfront can potentially save you thousands in medical expenses throughout the year. However, more than 90 percent of workers say they choose the same benefits every year, and almost 80 percent spend less than an hour researching benefit options before making a selection, according to a recent Aflac poll.



## 9. Take Advantage of Wellness Programs

Companies are increasingly investing in wellness programs that encourage their workers to take steps — such as signing up for biometric screenings, health assessments and physical activity programs — to monitor and improve their health. To increase employee participation in such programs, a growing number of employers are now offering incentives like money, gift cards, reduced health insurance premiums or contributions to an HSA or FSA, according to a report last year by the National Business Group on Health.



## 10. If You're Eligible for an HSA, Use It

If you have a high-deductible health plan at work, then you can fund a health savings account to use for medical expenses. Unlike an FSA, your HSA money is yours to keep and grows over time, so even if you don't use it this year, you can tap it for medical expenses in the future. For 2016, you can put up to \$3,350 for an individual and \$6,750 for a family into an HSA to use for medical expenses.





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## 11. Shop Around for Drugs

Just as medical providers offer different prices, so do drugstores. A recent search on GoodRx.com for a 30-day supply of Lipitor found prices ranging from \$10 to more than \$90.

Retailers like Walgreens and Costco have prescription savings clubs, which offer a discount on generic prescriptions and often price match their competitors. The Walgreens program also provides a 10 percent discount on care at the store's health clinics.



## 12. Avoid the Emergency Room

Unless you have an actual emergency, stay away from the emergency room. Visiting a doctor's office or urgent care clinic typically costs much less, and is often a less frenzied experience.

Choose carefully, though, because urgent care clinics that are owned by hospitals could charge the same rate as their parent company. "You'll pay anywhere from four to 20 times the price by not going to your doctor," said Adria Gross, CEO of Medwise Insurance Advocacy (<http://www.medwisebilling.com/>), which helps people navigate the medical claims system.



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## 13. Negotiate Your Bills

If you're paying out of pocket for a procedure, contact a hospital's billing department upfront to see whether there's any wiggle room in the price. If you've already had a procedure, but can't afford to pay the bill, there might also be an opportunity to negotiate the size of the bill, or set up a payment plan that makes it more affordable.





## 14. Try Telemedicine

More insurers and companies are offering benefits that include telemedicine, in which you can consult with a doctor online or over the phone for minor ailments, at a fraction of the cost of an in-patient visit. The average telemedicine visit is estimated at \$40 to \$50, compared to an in-person acute care visit at an average estimated cost of \$136 to \$176, according to a study commissioned by the Alliance for Connected Care. Bonus: You don't have to leave the house when you're under the weather.



## 15. Consider Medical Tourism

Some 750,000 Americans leave the country every year for health procedures that are cheaper elsewhere or not affordable in the United States, according to the Centers for Disease Control. The practice of “medical tourism,” as it’s known, includes risks, such as trouble communicating or less-safe practices. However, the Medical Tourism Association estimates that traveling for medical treatment can net savings of up to 90 percent.



## 16. Bundle Your Costs

Once you've reached your deductible in one year, consider scheduling any covered, elective procedures to also take place that year. That way, you can potentially avoid having to pay the full deductible in two consecutive years.





## 17. Deduct Your Medical Expenses

You qualify to write off your medical expenses (<http://www.gobankingrates.com/personal-finance/medical-expenses-can-write-off/>) on your taxes if your medical expenses are more than 10 percent of your adjusted gross income, or 7.5 percent if you're age 65 or older. Qualified expenses include doctor visits and premiums, fertility treatments and hearing aids.



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## 18. Go to Labs for Blood Work

If your doctor orders blood work or other lab tests, first ask the doctor whether they're medically necessary. If yes, get the work done in a standalone lab, where prices tend to be cheaper than what you'll pay by getting work done in a hospital or some doctors' offices.

Asking your doctor for a written lab order and taking it to a national laboratory group, rather than an in-hospital lab facility, could save you up to 90 percent on costs, according to a 2014 study by health care consultant group Castlight.



## 19. Insure Yourself

Under the Affordable Care Act, if you can afford health insurance but choose not to buy it, you'll have to pay a fine when you file your federal tax returns for that year. If you're uninsured in 2016, you could pay a fine of 2.5 percent of your household income, or \$695 per adult and \$347.50 per child under 18 — whichever is highest. In addition, going uninsured means that one medical emergency could become a financial disaster for you, depleting your savings or causing you to run up unnecessary debt.

***Read: 5 Tax Law Changes for 2016 You Need to Know (<http://www.gobankingrates.com/personal-finance/5-tax-law-changes-2016-need-know/>)***





## 20. Strategize With Your Spouse

If both you and your partner have access to health benefits at work, compare the plans offered by both companies. Find out which one offers the richest benefits at the best cost for your family, and whether you might be able to save money by being insured separately.



## 21. Move Somewhere Cheaper

The cost of getting insurance via the Affordable Care Act marketplaces plan varies drastically depending on where you live, according to recent analysis by GOBankingRates

(<http://www.gobankingrates.com/personal-finance/10-best-worst-states-health-insurance-costs/>).

Buying a plan in New York, the most expensive state in the country for these costs, for example, would mean signing on for a \$3,000 deductible and a \$366 monthly premium. A similar plan in New Mexico, by contrast, features a \$2,000 deductible and premiums of just \$181 per month, less than half of those in a New York plan.

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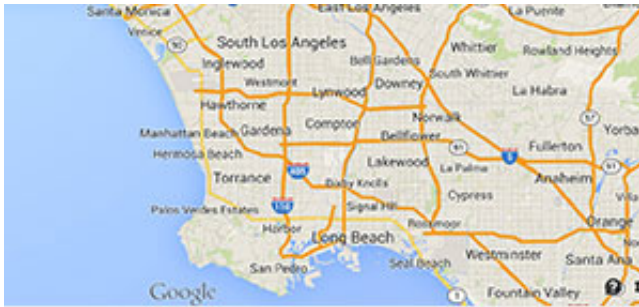
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