

Shop Around: Another Way to Help Patients



■ Jeanne Pinder

I invited Ms. Pinder to share her views and important information on medication and procedure costs with the AACAP membership.

—Arin Rosenfield, MD, Section Editor, Features

The scenario is not uncommon. You prescribe a useful medication only to learn much later that the parent never filled it. Apparently, the medicine or the co-pay were too expensive, so—perhaps she was too embarrassed—your patient's parent did not tell you that the prescription was not filled, and now the child is back, either no better or seriously worse.

Finally, you grasp what is going on. What to do!

Doctors want to do the best for their patients, but are rushed and usually have not been taught the ins and outs of the insurance system. In the era of high-deductible plans, higher medication deductibles, and skyrocketing co-insurance, the financial perspective has changed. If the patient cannot afford medications, you may be able to help get a patient better care, avoid emergencies, improve satisfaction, and save money.

In this age of high deductibles, insurance companies have a dirty little secret: They may pay the service provider far less than a person's deductible charges. I will start by discussing a necessary imaging test and move back to medications. Take this scenario: A child needs a brain scan that the insurance company says costs \$2,500 but the parents' insurance plan

has a \$2,000 deductible. Depending on the plan, the insurance company may tell the parents that their plan covers \$500 of the price, while they are responsible for the additional \$2,000 out of pocket, a sum that will sorely stretch the family's already tight budget. What most people do not realize is that the insurance company may **actually be paying the scanning facility only \$500**. Parents can sometimes negotiate the same \$500 cash price with a reputable MRI center, saving themselves \$1,500—though the \$500 they pay will not be part of their annual deductible. But doing so does take a bit of work on the patient's part.

For example, I bought a supposedly \$2,500 MRI with cash for a family member not long ago. The orthopedist gave us a prescription and recommended three providers. I called them with the Healthcare Common Procedure Coding System 5-digit code, and told them I wanted to pay cash. The first provider said "\$900," the second, "\$600." Then the first provider called back and said, "If you can be here at 7 p.m., it will be \$450." I took it. Yes, I know more than the average civilian about prices, but you can know this too—cash prices for common procedures are collected by our journalists and via crowdsourcing with our communities, and are posted on my website clearhealthcosts.com.

How to Price-Shop for Treatments, and When It Makes Sense to Pay Cash

Most of us believe that our insurance cards give us access to the lowest available price for a medication. But, like an MRI, that may not be true, especially for generics. Shopping around for them can save money because, for several common medications, the patient's out-of-pocket co-pay may be higher than the cash price the company actually pays

the pharmacist, "clawing back" the difference from the pharmacist.

One man was asked to pay \$30 co-pay with insurance for a colonoscopy prep solution available for cash for \$12.10. (See: clearhealthcosts.com/blog/2011/11/hmm-the-price-12-10-without-insurance-30-with Lee Zurik, a New Orleans investigative reporter, found repeated instances in which consumers learned that their co-pay was consistently higher than the cash rate for medications—even for a man insured via a Medicare Part D policy through United Health Care, and sold through AARP. That man would have paid \$52 for eye drops with insurance, but instead bought them for cash for \$12. www.fox8live.com/category/314285/medical-waste-a-fee-zurik-investigation/)

So, what to do? One source to use is BlinkHealth (www.blinkhealth.com). It's a startup where patients can go to buy medications, often generics, at a price you can see up front. One example: 30 tablets of a common antidiabetic, Glimepiram 0.5 mg, cost \$6.75 cash on Blink, far less than your \$20 co-pay. Another source, GoodRx (www.goodrx.com) delivers pricing information about medications. You can search by medication and zip code. However, even GoodRx.com makes a mysterious reference to a "membership warehouse" that cannot be shown. Costco is that warehouse and lower cash prices may sometimes be available there AND you do not need a membership to use the pharmacy. (PS: I have no financial interest in Costco.) Take Adderall. It can be \$88.42 for sixty 20 mg tablets at Rite-Aid, \$48.30 at CVS, and \$31.42 at your "membership warehouse" pharmacy.

Also, it's important to acknowledge that sometimes you cannot help, but if you