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Introduction

The purpose of health insurance is to protect personal finances from the burden of health care costs, and to protect health by making health care accessible. Conversely, protecting health also has a financial benefit. Disputes with health insurance providers occur when there is a disruption in that financial protection and usually arise from one of two occurrences. Either a claim for insurance coverage for a health procedure is denied, or there is an unexpected out-of-pocket charge for a covered claim. Both situations have a common root: confusion. In the most recent DHHS study, only 12% of adults have a proficient level of health literacy (US DHHS, 2008). Research shows that consumers struggle with health insurance decisions due to low health insurance literacy and complexity of products (Adepoju, Mask, and McLeod, 2019). Confusion about health insurance has implications for how well people shop for health insurance and whether they are choosing wisely (Levitt, 2015). More seriously, consumers with lower health insurance literacy are less likely to utilize their benefits to stay healthy, and more likely to suffer financial harm (Paez, Mallory, et.al, 2014). According to a recent study, 33% of patients received unexpected medical bills over a two-year period, and 53% have tried to negotiate a medical bill (Consumer Reports, 2016).

Purpose and Justification

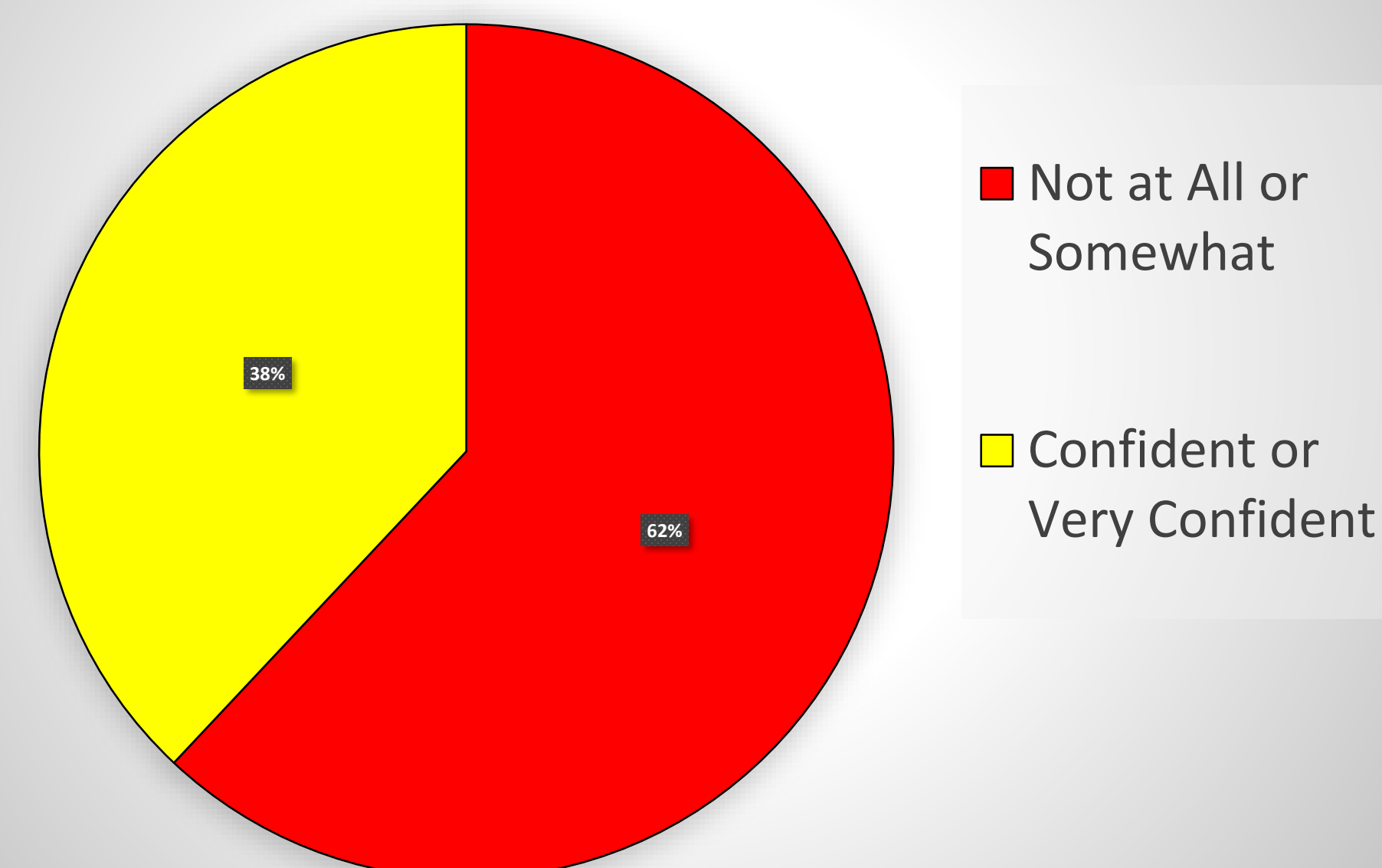
The purpose of this study was to determine if including health insurance dispute strategies into consumer education and counseling is an effective financial strategy to (1) reduce health insurance billing confusion, and (2) raise confidence in managing and resolving health insurance disputes. Unpaid health care claims and surprise bills can have a catastrophic effect on financial stability, and according to the CFPB, a "staggering" 52 percent of all debt on credit reports is from medical expenses (2015).



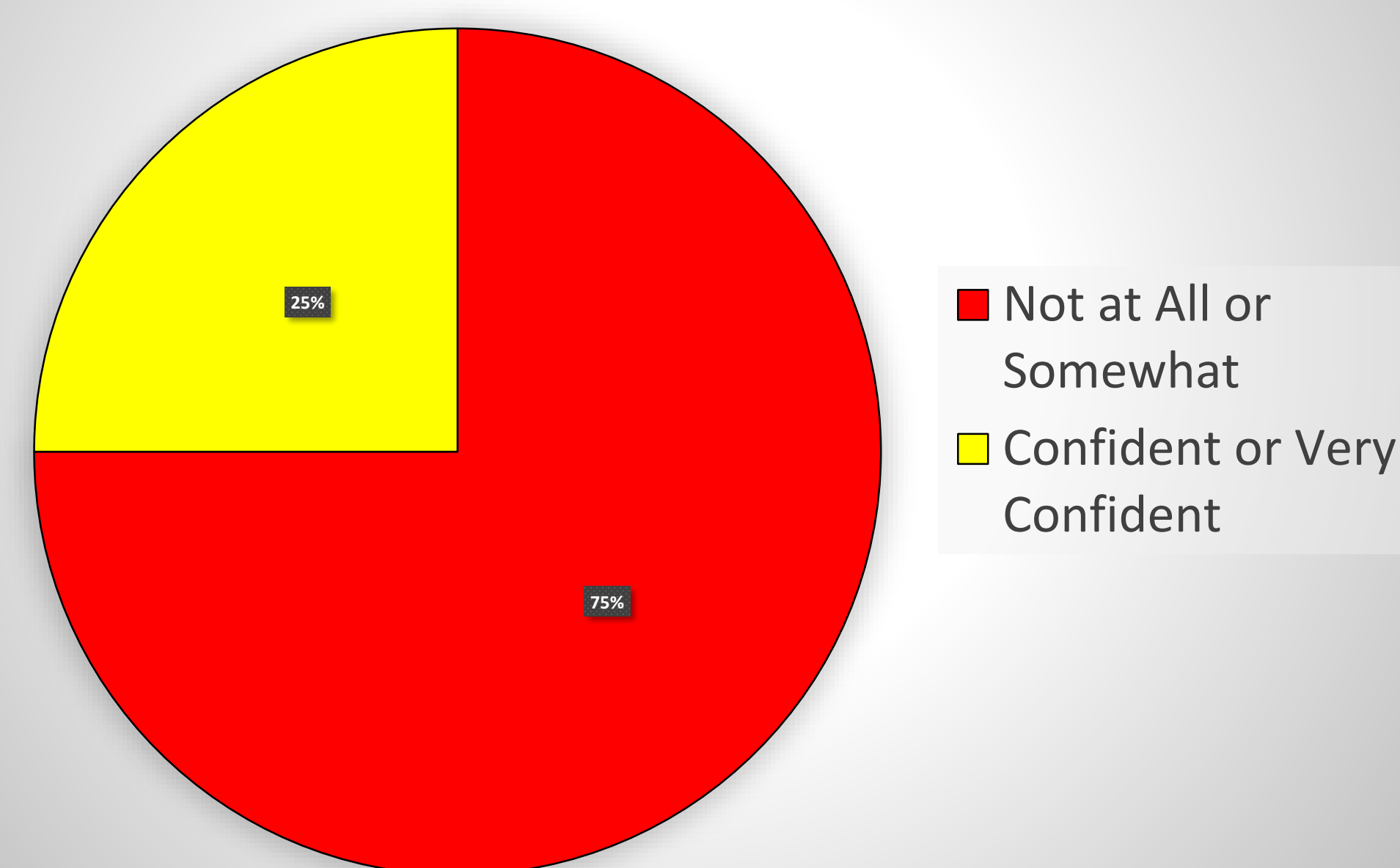
Results



How Confident are You in Your Ability to: Understand your Healthcare Bills



How Confident are You in Your Ability to: Resolve a health Care Billing Dispute



Methods

A survey was given to health insurance consumers (N=100) to determine the extent to which they have had to appeal a health insurance coverage decision or dispute a health care billing amount. They were also asked to rank their confidence in their ability to understand health care bills, appeal a health claim decision, and resolve a billing dispute. There was also an opportunity to share personal stories. A subset participated in a focus group. They attended a one-hour workshop on managing insurance and resolving conflicts. Topics included primary causes of unexpected costs, including use of out-of-network care and unmet out-of-pocket maximums. They also learned dispute resolution steps and strategies. A post program survey was given to determine whether education was effective in raising confidence.

Results and Discussion

The survey indicated that 32% of the respondents have had to appeal a coverage decision, and over half have needed to dispute a health care billing amount. Less than half were confident that they understood medical bills, and approximately 75% were less than confident that they could resolve a dispute. However, the focus group had an encouraging outcome. The figures were reversed, with approximately three out of four stating after the workshop that they understood the billing process and could manage a dispute.



Conclusions/Implications

Health insurance is a vital component of a personal financial plan. However, utility is diminished when it is not fulfilling its purpose of protecting income and savings. Consumers are left financially vulnerable if they do not understand the billing process and do not have the ability to advocate for themselves. Consumer education can successfully instill the confidence to protect against and manage disputes. Therefore, education can be made more widely available and also be included in financial counseling plans.

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