

21 Ways to Save a Lot of Money on Health Care

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Warning: I am not a real doctor, but I have a master's degree—in business! My personal motto is, “Everything in moderation, including moderation.” Yours may not be, so do your own homework before doing any of this.

1. **Get fat and smoke.** If you want to significantly cut your lifetime medical spending, lots of cigarettes, calories, and couch time will help. Yes, you'll have to spend a lot more money every year you're alive, but you'll die much younger, so you'll save bucketloads from not getting all the ailments that come with a long life. I don't recommend this, of course, but it does demonstrate that money isn't everything when compared with more time with your loved ones, more adventures, more laughter, more books, and more Roadrunner cartoons.
2. **The most important Rx question(s) to ask your doctor.** When she reaches for her prescription pad, ask her about alternatives to drugs. You may not like the answer (annoyingly often it's proper diet and exercise), but it can save you a lot of money now and later. But if she insists you need medication, always follow up with these six additional queries: (1) Are there OTC (over the counter) meds that work as well? Hundreds were formerly prescription drugs. (2) Is there a cheaper generic drug or equivalent I can take? (3) Are there lower-priced brand-name drugs? Doctors usually don't know the answer, but sometimes they can surprise you. (4) Is there a table-splitting dose? Often a 10mg Rx costs the same as the 20mg version. Ask if you can split the larger pill and save half. (5) If you really, really need an expensive brand-name drug, always ask your doctor for extra free samples, and check online for coupons and copayment waivers. (6) For chronic meds, ask for refillable 90-day supplies after you know they work for you. Many insurance plans will require you to buy them from it's PBM's own mail-service pharmacy, but it may still cost you less. If you don't have insurance or haven't met your insurance deductible on prescription medications, it's a good idea to install the GoodRx app on your smart phone. Then, when your doctor asks which drug store you want the Rx sent to, give her the name of the local or mail-service pharmacy that comes up on the app with the lowest price. In my experience, it will rarely be Walgreens.
3. **Don't just pay your drug copay.** Always ask your pharmacist the full retail price for your drugs, even if you're covered by insurance. Due to insanely manipulative PBM-dominated pricing structures, 23% of the time it will be cheaper than your copayment. Better yet, go to GoodRx.com to find the local druggists with the lowest prices. Costco has the lowest average retail markups on drugs but not always the lowest price for your particular medication.
4. **Floss your teeth.** Not only will you save a boatload on dental bills, but you'll actually live about a year longer. And if you get food caught between your teeth during meals, carrying those little dental floss picks is particularly helpful. Not only that, but my bachelor cousin was able to stay that way for decades by using them at the table.
5. **Avoid hospital outpatient services.** That includes hospital-employed doctors, lab tests, outpatient procedures, colonoscopies, imaging studies, and pretty much anything else you can alternatively get

from an independently practicing doctor or outpatient facility. Pretty much the entire health insurance system is rigged to make you pay more—often a LOT more—for hospital-based services. This is especially true if you have to pay substantial insurance deductibles and coinsurance (I've never been able to understand why it's called "coinsurance," since it's specifically excluded from coverage. Maybe it's like Ticketmaster charging a "convenience fee" to allow you to print an online ticket instead of having it mailed to you).

6. **Always ask a doctor how much a service will cost?** Ok, you're not likely to get an answer, but if enough patients ask, it may help move the needle on getting more transparency on medical prices. I've been asking that question for years and have been surprised a few (ok, very few) times when an accurate answer comes back. More medical providers are beginning to use so-called pre-adjudication software that connects with your insurer to determine how much you'll owe. Unfortunately, you generally have to schedule the service before they'll do it, but you can always cancel if the price comes, like Pearl Harbor Day, as a surprise attack.

BTW, providers aren't doing this in the name of improved customer service—a yet alien concept in medicine. The software allows them to collect your out-of-pocket payments at the time of service rather than having to wait a month or so for the insurer to tell them they have to chase you for what you owe.

7. **Ask your doctor a lot of questions about treatment options.** In my latest book, "How Jeff Bezos Can Fix Health Care," I've written about how I have saved myself thousands of dollars by not accepting a doctor's treatment recommendations without first asking about lower-cost alternatives. "Do I *really* need an MRI to confirm I have a torn MCL? Didn't you just tell me that's what I have from your expert examination?" In my case, his answer was "You don't need it," and I saved \$1,200 from my personal HSA. Another time, my questioning led to my surgeon telling me I didn't really need his recommended ambulatory surgical facility and anesthesiologist for a minor procedure, since, as he finally admitted, he could do it as an office procedure under local anesthesia. My savings: \$2,500.
8. **Speaking of HSAs, open one and fund it.** If your employer offers a High-Deductible Health Plan (HDHP), take a very close look. Only with a qualifying HDHP can you open your own Health Savings Account (HSA) with a financial institution. If you follow the rules, you will happily discover that all HSA deposits (yours and your employer's), all investment earnings, and all your qualified medical expenditures will be free from income and payroll taxes—state and federal, FICA, and Medicare. That can save you a lot on taxes, and you'll have a powerful incentive not to spend any more on health care than is absolutely necessary, since all the money in the HSA is yours.

Just be careful to compare your employer's HDHP to its other offerings. Is your required premium contribution sufficiently lower to justify the higher out-of-pocket amounts? Will your employer contribute to your HSA and, if so, how much? Do you have medical conditions and prescriptions you can factor in to figure out if the HDHP/HSA is the best option? I know, comparing health benefits is as much fun as a dental appointment (see Tip #4). But you only need to do it once a year. Employer offerings are all over the map on this, so do your analysis.

The good news is, if you stay relatively healthy and invest wisely, an HSA can give you a substantial emergency reserve against future health spending needs, not to mention a retirement income supplement worth hundreds of thousands of dollars after age 65.

Oh, yes. Don't open your HSA account at a bank if it only pays interest. You need the ability to invest excess balances into index equity funds or other low-cost vehicles that are likely to grow faster than medical inflation for the rest of your life.

9. **Check your doctor's or hospital's quality ratings.** You've probably heard the joke, "What do they call the medical student who graduates at the bottom of her class? Answer: Doctor." Go online and check out your providers beforehand at sites like HealthGrades.com and Healthcare.gov. If you need surgery, explore your personal contacts and try to talk to a local surgical nurse or a medical device rep who is in the operating room on a daily basis with your and other surgeons. If you swear yourself to confidentiality, he may be willing to tell you which ones have brains in their fingers and which go by the nickname Dr. Hodad (Hands of Death and Destruction). Your primary care doctor is always a good place to start, but don't settle just for that.

How will this save you money? High-quality medical care costs less than bad care. It rarely comes with warranties or money-back guarantees, so bad doctors can actually make more money than good ones just from their do-overs.

10. **Question your EOB.** After you get a medical service, your insurer will send you a cryptic document called an Explanation of Benefits (sometimes acidly called an Explanation of Denial). It usually has four columns showing (1) how much the provider charged, (2) how much of it the insurer contractually allowed, (3) how much the insurer will pay under your particular insurance plan, and, finally, (4) how much you have to pay.

I once received an EOB for a routine colonoscopy showing I owed several hundred dollars. Since Obamacare required such services to carry no patient charge, I was able to get rid of the liability with a phone call. It took several calls and three months to expunge a different charge for my "free" annual physical exam. Unfortunately, EOBs rarely tell you in English what service was actually performed (or by whom), often providing only a 5-digit CPT code, which a quick internet search should decode for you.

11. **Know your insurer network.** Most health insurance has one level of coverage for so-called in-network provider services and a much lower level (or even no coverage) for out-of-network care. Before accepting a specialty referral from your PCP, make sure it's for an in-network provider.

Be especially careful before going to any particular hospital. While it may be an in-network provider, some of the doctors who work in it may not be—especially if they're contracting anesthesiologists, radiologists, or emergency department doctors. Always check first, unless of course it's a true emergency (which most emergency room visits aren't).

12. **Getting lowest cost emergency care.** Several years ago, I was on the phone when I suddenly felt a pain sharp pain in my chest. I excused myself from the call and told my wife to drive me to a nearby urgent care facility. She, concerned it was a heart attack, suggested I go to the ER. My response? “Do you know how much those places cost? Take me to urgent care. It’s a lot closer than the ER, and they can diagnose me and call an ambulance if I need it.” When we arrived, I told the receptionist, “I have acute chest pains.” Magic words to remember. I was given immediate priority and taken to a room where I was questioned, poked, needled, and told to drink a beaker of some vile fluid. It was an anti-acid cocktail for treating acute acid reflux. The chest pains soon stopped, the blood tests came back negative for heart attack by-products, and my vital signs indicated I was alive and likely to stay that way unless I got hit by a truck on the way home. The total bill: about \$400. The bill if I had received the same care in a hospital ER: Probably ten times that or more. Don’t get the wrong message here. If you have existing risk factors for heart attack or stroke or whatever, go straight to the ER. I didn’t, so I didn’t.
13. **Don’t be a vegetable. Eat them.** And nuts and fruit. Lots of fiber and good nutrition. Even broccoli, but thank god there are tastier substitutes. BTW mashed cauliflower with a few herbs has the consistency and most of the flavor (i.e., very little) of mashed potatoes, just without nearly as many carbs. Speaking of carbs, try not to consume refined sugar and flour. I know I’m starting to sound like your mother, but you don’t have to tell her you’re doing it. Unfortunately, eating healthy may be a bit more expensive than eating cheap carb-bombs, but you can compensate by making your own lattes at home for a fraction of Starbucks’ prices.
14. **Get a physical every once in a while.** It’s free, and if you’re young and healthy, it doesn’t have to be annually. But do get one at regular intervals and pay attention to the results—especially for body mass, cholesterol and related artery cloggers, blood sugar, and blood pressure. Most chronic diseases can develop without symptoms over many years—until you suddenly end up in the ER with heart attack, stroke, massively out-of-control blood sugar (high or low), or other acute conditions that could and should have been detected and prevented years earlier. Caught early, treatments can often be tolerable behavior changes on your part, perhaps accompanied by cheap generic medications. Remember, the first symptom of a serious problem is often death.
15. **Shove it up your...** Yes, if you’re at a certain age or have other risk factors, get your screening colonoscopy at intervals dictated by your very-high-quality gastroenterologist (see Tip #9). This will cut your risk of getting colorectal cancer by more than half—it’s an awful disease to live with and worse to die from. The procedure is painless (you’re sound asleep), although the prep part is yucky. And the procedure, unlike the cancer, should be fully covered by your insurance as an preventive service.
16. **While we’re down there...** Men, get regular prostate screening. Women, get your periodic PAP smear and mammography. Recommended frequencies vary on these, so ask your NP, PCP, or OB-GYN. Years ago, a friend told me how his doctor started putting on a rubber glove during his first-ever medical physical. “What’s that for,” my friend asked. “You’ve reached the age when you need an annual digital prostate exam,” came the reply. “Wow!” my pal responded, “You guys do everything with computers these days!”

17. **Get your immunizations.** Prove you're not stupid by getting all the immunizations recommended by your PCP. Most are 100% covered by insurance. If you're one of the fringe who believes they cause autism, zombieism, or communism and who refuse to protect your friends, neighbors, and schoolmates from dread diseases supposedly wiped out during the last century, then do us all a favor and move to a remote survivalist enclave with your fellow travelers. I am open to a more direct way of saying this.
18. **Don't wake your life away.** A longevity expert told me recently that eight hours of sleep every night contributes to good health and a longer life. So did my mom maybe 50 years ago. Add extra time to accommodate a young child or an old prostate.
19. **The 49 Steps—or so.** The same longevity doctor told me to walk 10,000 steps per day. Leave your car at the far end of the parking lot. Get a step counter and always carry it. Once [you](#) get into it, you'll discover the steps you don't count aren't as satisfying as the ones you do. Avoid elevators, escalators, and such. If you can add two or three weekly workouts with weights, then so, so much the better. Just stay motivated by thoughts of that emotional-support Scotch awaiting you at day's end (see Tip #21).
20. **Stop wasting money on pricey placebos.** Americans spend \$30 billion per year on dietary supplements [many](#) of which are unnecessary or of doubtful benefit to those taking them. However, the placebo effect does work—if you'll only believe. If you don't, think of them as mostly expensive urine. If you really want actual medical efficacy, do your homework on a website like [RxList](#) or ask your doctor to find supplements that actually help.
21. **Drink less but some(?) alcohol.** Look, you can go online and find reputable organizations suggesting that low-to-moderate alcohol consumption benefits your health—or at least doesn't harm it. You can also find them saying that *no* level is safe. So, unless you're a heavy drinker (there's nothing healthy in that), you can pretty much find justification for whatever you want justified, including a recent [study](#) reporting slightly reduced mortality for those drinking 1-3 drinks a week versus those drinking more *and* those drinking none. Thus, there may be some truth in the jab that tee-totaling won't make you live longer; it will just seem that way. And it's increasingly looking like the argument for red wine with its antioxidant resveratrol is no better or worse than any other alcoholic beverage. But if saving money is the only issue, it's worth remembering that alcohol is a lot more expensive than most other potables.

Special Note: While there may be companies out there willing to pay me *not* to write some of these things, none have paid me for anything I've actually said.