**Who Pays Your Out-of-Country Medical Bills?**

**In most cases the insurer’s claims administrator takes care of everything**

By Dan Donnelly

A common question the agents at **Travel Insurance Office Inc.** are asked is “Does your insurance pay up front?” The answer is a qualified “yes”. All of the reputable travel insurance products sold in Canada, including **Travellers Choice**, **Travel Insurance Made Easy (T.I.M.E.)**, **TuGo**, and **Blue Cross**, pay “up front” whenever possible.

If you have a medical emergency while traveling, you are a phone call away from medical professionals. Call the emergency 1-800 number as soon as possible so the assistance company can begin managing your claim. The assistance company will be kept “in the loop” throughout the entire emergency and in the following days regarding the treatment provided. It wants to make sure you are not over-tested, over-medicated, or given unnecessary surgery.

The assistance company will ask for the invoices and most hospitals comply. You should never have to pay out-of-pocket. Unfortunately, some hospitals and many clinics and physicians prefer to charge your credit card. If this happens to you, submit original receipts (not copies) along with a claim form for reimbursement. You may avoid this hassle if, at the onset of your emergency, you ask the assistance company which medical provider(s) it recommends.

Overbilling by Some Medical Providers

Managing your claim ensures medical providers do not overbill the insurance company for unnecessary medical costs. What is paid this season out may impact the rates in the next season. Here are two examples of overbilling:

A claims administrator received a detailed invoice listing all of the charges incurred to treat a patient. One of the charges was $200 US for a “Nasal Evacuation System”. The assistance company investigated and learned a “Nasal Evacuation System” was an attempt to overcharge on a box of facial tissues!

A claims administrator was going through an invoice full of medical codes that did not spell out the details of the medical care provided. One medical code was for a pregnancy test and the amount invoiced was reasonable. The problem was, the pregnancy test was for a male patient!

Negotiating Invoices and Balance Billing

Medical invoices are negotiated between the medical provider and the claims administrator. For example, a $12,000 US invoice can be bargained down to $7,000 if the payment is prompt. Unfortunately, some medical providers bill the patient for the $5,000 difference. They may show the original $12,000 invoice and a copy of the $7,000 cheque received. This is known as “balance billing”.

**If you called the assistance company at the onset of your emergency, and it managed your claim,**

**DO NOT PAY any invoice you receive in the mail and ignore threats from a collection agency.**

**Contact the claims administrator immediately and it will make the problem go away.**

These unscrupulous medical providers know that invoicing the patient, along with the threat of a collection agency, will scare some patients into paying because no one wants to get a bad credit rating. Balance billing doesn’t happen often but it happens every year.

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