



WHY YOUR DOCTOR IS LEGALLY REQUIRED TO COLLECT YOUR CO-PAY & DEDUCTIBLE

The Health Care Financing Administration (otherwise known as HCFA) is the federal government agency responsible for setting policy and overseeing the Medicare and Medicaid programs. HCFA has mandated that physicians and other providers of health care **MUST** collect co-pays and deductibles. This is enforced by the Office of the Inspector General (OIG). **Providers that do not collect are subject to prosecution for fraudulent billing under federal law! Penalties include a maximum fine of \$25,000.00, five years in jail, or both!!! Make no mistake about this, there are currently health care providers sitting in jail for violations.** Private insurance companies can also prosecute providers who fail to collect co-pays and deductibles.

The reasoning behind this is as follows. If your doctor waives your co-pay or deductible he or she is in effect giving you a discount. Therefore if he is willing to "sell" his service to you at a discount, he should also give a discount to the insurer. The second reason for this is that the insurer's objective for requiring co-pays and deductibles is to cause you, the insured, to have a share in the cost of your health care, thereby reducing unnecessary consumption of covered services.

If you would like to avoid co-pays and deductibles there are two things you can do. One is to purchase supplemental insurance to cover such items. The second choice applies only to those who are in *serious* financial difficulty. Your doctor can waive your co-pay or deductible however **YOU MUST** speak to him and *provide documentation* of a distressed financial condition.

The global surgical period definition for major surgery is generally defined as the day before surgery to ninety days after surgery, but may vary depending on the surgery done. During this period you should not be charged for your follow-up office visit regarding your surgery. New problems discussed, x-rays taken or other materials provided or used may be billed to you and your insurance.

For more information on this subject contact Medicare, HCFA, your insurance company or the Office of the Inspector General.

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