

## Here's The Deal: Cut Your Health-Care Costs

Pay less for drugs, health insurance, hospital stays -- and golf balls too.

By Janice Lieberman From [Reader's Digest](#)

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We've all had to make tough decisions about how to spend our money. But Delilah Davis of Kansas never thought she'd have to choose between paying for medicine and food -- until her husband was let go from his job and the couple lost their health insurance. Davis, 52, could no longer afford prescriptions to control her diabetes, cholesterol, thyroid disease, and depression.

Fortunately, a health-care worker told her about the Partnership for Prescription Assistance, a coalition of pharmaceutical companies, health-care providers, and patient advocacy groups that helps patients get free or discounted medications. Ninety-eight companies provide 2,500 drugs, from Advair to Zolof. Since its launch four years ago, the PPA has helped supply \$14 billion worth of prescription drugs to 5.7 million people. "There's no point in having medications if they are out of financial reach for the people who need them," says Ken Johnson of Pharmaceutical Research and Manufacturers of America, chief sponsor of the PPA.

Without insurance, Davis's eight medications cost about \$2,000 a month. Now she receives seven of them free and pays only \$4 for a generic thyroid prescription.

To find out if you qualify, go to [pparx.org](#). Typically, a family of four earning about \$40,000 is eligible.

### Affordable COBRA?

There is good news for anyone out of a job and in need of health insurance. If you worked for a company that had 20 or more employees, you probably know that COBRA (Consolidated Omnibus Budget Reconciliation Act) entitles you to continue your health benefits for 18 months after leaving your employer. It's very expensive, though -- an average of \$1,069 a month for a family plan.

But now the American Recovery and Reinvestment Act of 2009 -- you know it as the stimulus bill -- allows eligible individuals who lost their health coverage between September 1, 2008, and December 31, 2009, to pay only 35 percent of their COBRA premiums for the same level of insurance and care for up to nine months. The former employer pays the remaining 65 percent and will be reimbursed in the form of a tax credit.

One of my friends qualified for the premium reduction and now ponies up only \$96 a month instead of \$276. To find out if you qualify, go to [dol.gov](#) or call 866-444-3272.

### Bill of Health

If you've ever been hospitalized, you may have wondered which was worse, the pain or the bill. But if you're offered a medical credit card at checkout as one option for squaring up, think twice about accepting it, says David Bach, author of *Fight for Your Money*. "You lose any leverage to negotiate a discount because the hospital has been paid by the credit card company and no longer has any interest in bargaining with you."

Typically, these cards come with an enticing teaser rate -- zero percent for 12 months. But if you haven't paid off the balance within that period, your rate could jump as high as 29.99 percent.

Your best bet? "Put on the brakes," says Gail Cunningham of the National Foundation for Credit Counseling. "Don't make any decisions before you have received, and analyzed, all the bills."

Once you've determined what you can afford, ask the hospital's credit officer for interest-free payments spread out over a manageable period. "And get it in writing," says Bach. If the debt is truly unwieldy, Cunningham says, ask for the Medicare rate (not the insurance rate) or a charity write-off.

Let me hear from you. [Send me your questions and money tips](#). Together, we can save each other a bundle.

### 3 Sites for Savings

- [askdoctordebt.com](#) - Get unbiased answers to any question on credit or debt. Learn your rights and your options.
- [lostgolfballs.com](#) - Find top-quality, used balls at half price.
- [payitgreen.org](#) - Calculate the benefits of switching to electronic bills, deposits, and statements. Good for you and the environment.