

Background

As I suspect most Americans know, we pay spend more for healthcare services than all other developed countries, and healthcare spending is becoming an increasing burden on most households. This has been a growing trend for the past 40 years; it was true prior to the Affordable Care Act, since the ACA became active, and I am certain that it will continue to be true despite whatever arises from the current Repeal and Replace efforts. I'm not interested in discussing potential policy corrections here, but instead want to highlight several choices that many Americans can make to help insulate themselves from rising healthcare costs in the future.

There are many reasons why our healthcare costs are higher than in other countries, and all are important to varying degrees. That said, it is clear to me that the largest single factor behind our rising healthcare costs is the fact that we pay more per item of care received. Pharmaceuticals, especially brand-name medications, are more expensive in the U.S. than elsewhere in the world. The same holds for diagnostic tests such as MRI and CT scans, procedures such as colonoscopies and cardiac surgery, and medical devices such as prosthetic joints and pacemakers. Most everything, really.

If we can reduce our exposure to these higher-cost items of care, then we will reduce our overall healthcare costs. Okay, how do we do that?

Personal Choices

Many of the personal choices we make greatly influence our health, and therefore our exposure to healthcare costs. We cannot (yet, at least) alter our genetic makeup, but there remains much that is under our control. Don't use tobacco. Don't drink alcohol to excess. Maintain a healthy weight. Exercise regularly. Eat a healthy diet. Don't drive while impaired, whether due to alcohol or drugs, or while distracted by your smartphone. I'm sure you could add others.

Benjamin Franklin once said, "an ounce of prevention is worth a pound of cure". He said that in reference to fire prevention, but it is perfectly apt when it comes to your health. The most important aspect of prevention when it comes to your health is not what a physician can do for you, but what you can do for yourself. Getting a screening colonoscopy at age 50 is important, but not nearly as important as how well you took care of yourself in the five decades prior.

Your personal choices are your first line of defense against rising healthcare costs!

Provider Choices

I do recommend everyone become established with a primary care physician, nurse practitioner, or physician assistant. Make sure you feel comfortable with the person you choose, that you have a good rapport, and that he or she is willing to take the time to explain things to you in a manner you can fully understand. Much of what goes into a good patient-provider relationship is personality, so no provider is a perfect match for every patient.

Feel free to shop around regarding price, too. This is especially true if you do not have insurance and/or will otherwise be paying out of pocket, but is also important to consider even if your care will be covered by insurance.

Unless you truly have an serious and urgent condition, avoid seeking care in emergency rooms, which are much more expensive than a primary care office or a walk-in clinic. If you are seeing a provider affiliated with a hospital, you should be aware that your charges will be higher if your provider is billing as a hospital-based provider rather than as an office-based provider. The extra cost is called a facility fee and goes to the parent hospital, not the provider. Finally, cash-based primary care offices are becoming increasingly common, and many offer significant savings.

[AAPS: Cash / Direct Payment Friendly Practices
The Wedge](#)

Resources for finding cash-based medical practices.

Facility Choices

Costs for all healthcare services vary tremendously around the country, often differ greatly between neighboring communities, and even within a given community. If the care you need is not urgent, and especially if it is costly, it is definitely worth your while to do some price checking.

Some healthcare needs require a hospital environment, but many do not. Generally, the costs of care provided in a hospital setting are more expensive than alternative options, when available. Even if the care you require does necessitate a hospital environment, there are sometimes considerable differences in pricing between hospitals in a given region.

Laboratory testing and imaging studies are usually less expensive when performed in a free-standing lab or imaging center. Especially for high-cost items, such as a CT or MRI scan, it is worth your while to make a few calls. Cardiac testing and colonoscopies are generally less expensive when done in cardiology or gastroenterology clinics.

Surgical procedures which can be performed in ambulatory surgical centers (ASCs) or a provider clinic generally offer significant price savings due to lower overhead costs and allowable facility charges. Keep in mind that your health status may influence where procedures may be done; for example, a hospital setting might be the safest option for higher risk patients. Also, if you are having a procedure at an ASC affiliated with a hospital, ask whether the charges will be ASC-based or hospital-based, with hospital-based charges being more expensive.

You might even consider surgical options outside of your community, such as a cash-based surgical center in Oklahoma or medical tourism abroad.

[Surgery Center of Oklahoma](#)

[Medical Tourism](#)

[CDC: Medical Tourism](#)

CDC advisory about medical tourism.

Pharmaceutical Choices

Americans generally spend far more for brand-name medications than citizens of other countries. Whenever possible, try to get the generic version of a prescribed medication. If one is not available, ask your provider if there is another medication which is available in a generic formulation. And, shop around, as prices do vary between pharmacies.

For medications prescribed for chronic conditions, ask your provider for a three-month prescription, which can offer considerable cost savings. Also, consider checking prices online. Although it is still technically illegal to do so, you might consider purchasing your medications from outside the country. Since this is still illegal, this should not be understood as a recommendation on my part.

[GoodRx](#)

[PharmacyChecker](#)

Resources to check prices and to look for available discounts.

[Consumer Reports: Best Buy Drugs](#)

A good resource regarding many questions about pharmaceuticals.

[WebMD: Online And Mail-Order Medicine: How To Buy Safely](#)

WebMD article regarding purchasing medications online.

[FDA: The Possible Dangers Of Buying Medicines Over The Internet](#)

FDA advisory about online medication purchases.

[Canadian International Pharmacy Association](#)

This is a useful starting point for searching certified Canadian pharmacies.

Insurance Choices

Insurance is a great innovation, as it mitigates the risk of financial devastation due to a serious illness or injury while also providing some cost-sharing between people who have insurance, but it does come with at least two disadvantages.

First, insurance companies, whether for-profit or not-for-profit, have business costs which must be covered by the premiums they receive. So, if you are utilizing your health insurance to cover all aspects of your care, particularly routine and non-urgent needs, you are increasing your healthcare costs simply by using an insurance company as an intermediary. Second, having insurance leads many of us to be less concerned about the costs of healthcare services. We tend to be interested in whether a given service will be covered by our insurance, but not especially concerned about how much that service will actually cost.

While not a good option for everyone, particularly those with serious and/or chronic illnesses, I strongly recommend consider switching to a less comprehensive healthcare plan, as the cost savings can be tremendous. Why chose to pay for more coverage than you actually need?

Savings in premium costs from many high-deductible plans can be invested in a health savings account (HSA), which can in turn be used to cover costs for copays, deductibles, prescriptions, dental and eye care, etc. HSAs are funded with pre-tax dollars, like 401Ks and most IRAs, and can even be used later to fund your retirement. Fully funding your HSA and retirement plans each year offers considerable tax savings.

If you currently receive your healthcare coverage through your employer, and they don't offer a high-deductible/HSA option, check on your options for self-purchased coverage. If the pricing is attractive, ask your employer if you can opt-out of the employer-sponsored plan in exchange for an increased salary. Doing so will not only save you money now, but may give you more flexibility if you decide to change jobs in the future.

Utilizing a high-deductible plan paired with an HSA will make you a more informed consumer and will save on healthcare costs. However, maximizing the benefits of such a plan does require the ability and willingness to invest time and effort. For those who are unable or unwilling to make this investment, or who may already be overwhelmed by serious health problems, a more traditional, comprehensive healthcare plan may be best.

[Consumer Reports: How to Get High-Quality, Low-Cost Healthcare](#)

[Consumer Reports: High-Deductible Health Plans](#)

This report is somewhat critical of high-deductible plans, but I'm including it both for balance and because it offers some good tips on how to maximize the benefits of having such a plan.

Healthcare Choices

At some point, your healthcare provider is likely to recommend some course of action, whether that be testing, prescribing a medication, or referring you for a procedure. It is important to remember that every intervention has both benefits and risks, to include financial costs. Some are more worthwhile than others, whether based upon monetary costs or actual health benefits.

[ProPublica 2017: When Evidence Says No, But Doctors Say Yes](#)

Even testing has hidden costs and risks due to the fact that all tests have some false positive results. That is, the test falsely indicates the presence of a disease which isn't actually there. This can lead to unnecessary anxiety, further testing, possibly unneeded procedures, and the additional costs and risks entailed.

Some medications and procedures are clearly worthwhile, with risks easily outweighed by benefits. For other interventions, the risk-to-benefit ratio might not be as favorable. Alternative medications or procedures may be available which are equally effective yet have lower risk and are less costly.

[U.S. Preventive Services Task Force CDC Prevention Checklist](#)

Links to current preventative medicine recommendations.

[Choosing Wisely Consumer Reports: Consumer Health Choices](#)

Good resources for assessing the value of a variety of different tests and treatments.

[Mayo Clinic Cleveland Clinic](#)

Most teaching hospitals have good resources for patients regarding particular diagnoses and treatment options, but I think these are two of the better ones.

I have included some useful resources throughout this article which can help you to make informed decisions regarding specific healthcare choices. But, also remember to discuss your options fully with your healthcare provider. Some questions to consider asking your provider follow. Not all questions are going to be appropriate in every circumstance, and you may have others which are important that I didn't include, so use your judgement.

- How much will this cost?
- What are the risks?
- How will I benefit?
- What is likely to happen if I do nothing?
- How will information from this test change your management?
- Are there any less expensive and/or less risky options?
- What other alternatives might I consider?

Finally, it is important to review your bills and explanation of benefits (EOBs) for accuracy. If you note testing, medications, or procedures of which you were not aware, do not be timid about challenging the accuracy of those charges with the billing office; but, not with your provider during an office visit.

Conclusion

Your first line of defense against rising healthcare prices is maintaining your own health, and that is up to you. Find a good primary care provider you like and trust to help you understand any healthcare concerns you have. Try to weigh the risk versus benefits of any recommended course of action using the resources above and by talking with your provider. If you do need a particular test, medication, or procedure, look for less expensive options whenever possible. Don't purchase more healthcare coverage than you actually need after a realistic assessment of your current and potential future needs.

The most important advice I can give is that every person should become an active participant in their own healthcare, and that of their dependents. The best choices are made when patients make informed decisions guided by discussion with healthcare providers. You will always be your own best advocate for yourself and your family. Your healthcare providers are there to provide objective evaluation and recommendations but the ultimate choices and healthcare decisions are yours. Ask questions, do your own research, and remember to trust in your own ability to make good decisions.

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