

*Cinco**

An Investigative Report on Uninsured Latinos and
Hospital Billing Practices in Southern California

by,

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**Cinco* is Spanish for the number five. Uninsured Latinos in Southern California have been billed almost five times the amount a hospital would have accepted as payment in full from an HMO.

An Expensive Lay Over

A young Latino father, who grills hamburgers for a living in the San Gabriel Valley, near Los Angeles, was being sent to a public hospital for severe intestinal pain when he had a brief lay over at a private hospital to transfer from a local to a regional ambulance. “They did not do anything to me...they did not give me an injection, and they did not do anything. They sent me to [the county public hospital] by ambulance.”¹ What was the total bill for this lay over at this private hospital? \$1,681. After threatening to destroy his credit, this uninsured, cash-paying cook has been paying monthly payments since June of 1998, accumulating over \$350 in interest.

Fear of Losing a Home

A 30-year-old single Latino woman falls into a diabetic coma and is hospitalized for four days in a Southern California hospital. After leaving the hospital, she is billed \$23,608. What is the typical cost for the same services paid for by a health maintenance organization to the hospital? \$4,110. How did her family react after she received a bill that is five times the customary charges? “After...this incident [my mother] she took me away from the house, the deed of the house, she took me away from all her credit cards, she took me away from her bank statements. Anything that has my name on it...she said no more. Because she got scared that my name was on the house and it would fall on the house in order to collect the \$22,000.”²

The American Dream Shattered

A Latino couple with one child living in Orange County is rear-ended in an automobile accident. For two days in the hospital, they are charged just under \$14,000. What is the typical cost to HMO's for these services? \$1,216. Awaiting a settlement from the automobile insurance company, they are assaulted by the hospital's collection agency, which demands payment in full and threatens to destroy their credit history. The husband laments, “What happens, is that in the future I would like to buy a house...or a car. And with that type of collections that they are doing to both of us, practically they are going to take away our dreams of buying something big, like a car or a house. This is why we are worried. And we are trying to see how we are going to solve this. What are we going to do? With a bill of \$13,000 it is almost \$15,000. I have never seen so much money [like that] in my life.”³

Fraud in Health Care

The stories above document some of the deep concerns that face many powerless, and at times, helpless, uninsured Latinos in Southern California: high medical bills, excessive charges, and blemished credit histories.

In April, *The New York Times* reported that “the uninsured pay the most and patients with insurance plans are charged the least.”⁴ They noted that “some uninsured people struggle for years to pay medical bills and others put off seeing a doctor until minor problems become major ones.”⁵

¹ Case 40 interview, La Puente, CA, April 2, 2001.

² Case 60 interview, Hacienda Heights, CA, May 11, 2001.

³ Case 69 interview, Orange, CA, May 14, 2001.

⁴ Kolata, Gina, “Medical Fees Are Often More for Uninsured,” *The New York Times*, April 2, 2001, pg. A1.

⁵ Ibid.

We have heard about Medicare and Medicaid fraud. Last year, hospital operator Columbia/HCA Healthcare Corp. settled with the federal government for a record \$840 million for fraudulently inflating Medicare reimbursements.⁶

California's largest physicians group, California Emergency Physicians, also had a million dollar settlement with the federal government last year for "over-billing federal health insurance programs, including Medicare."⁷ Earlier this year, "Bayer Corp. agreed...to pay \$14 million to the federal government, California and 44 other states to settle allegations it caused doctors and other health care providers to submit inflated reimbursement claims to the Medicaid health insurance program...."⁸

Last month, the "maker of a top selling prostate cancer drug" was preparing to settle with the federal government over allegations that "it hiked the price of the drug and bribed doctors to prescribe it and overcharge Medicare...."⁹

Fraud "in the form of money for services that were never performed, services that weren't needed or merchandise and services provided at inflated prices" costs the Medicaid program in California (called Medi-cal) about \$1 billion a year¹⁰ and abuses can range from bogus blood tests to never performed laser eye surgeries.

If fraud and price gouging are so common under supervised government health programs in California, then, we ask, how are uninsured Latino patients being treated?

The Uninsured Latino

Forty percent of Latinos in California are most likely to be uninsured while over one-third of Latinos in the Golden State have never been insured.¹¹

California's State Assembly District 46, covering Downtown Los Angeles, Boyle Heights and portions of East Los Angeles, has a 75 percent Latino population and "the highest uninsured rate among persons ages 0-64, when the state's 80 Assembly districts are arrayed from highest to lowest uninsured rates."¹² Likewise, State Assembly District 50, which includes the Latino stronghold of Huntington Park near Los Angeles, has a Latino population of 95 percent and the second highest uninsured rate among Assembly districts in California. Almost half (49 percent) of Assembly District 50's non-elderly adult population (19 to 64 years of age) is uninsured.¹³

Our Investigation

In February, we launched an investigative study on hospital billing practices in Southern California.

Are uninsured Latinos being gouged? Are Latinos being treated unfairly? What are their stories and what is really happening in the community?

⁶ Jackson, Robert L., "HCA Pleads Guilty in Medicare Fraud Case," *Los Angeles Times*, December 15, 2000, pg. C1.

⁷ "Physicians Group Settles Lawsuit for \$1.2 Million," *Los Angeles Times*, September 20, 2000, pg. B4.

⁸ Associated Press, "Bayer to Settle Suit Over Inflated Claims," *Los Angeles Times*, January 24, 2001, pg. C2.

⁹ Hale, Sarah, "Cancer Drug Maker Facing a Record Fine," *Los Angeles Times*, May 29, 2001, pg. C1.

¹⁰ Rosenblatt, Robert A., "Ruling Stalls Fraud Fight, Official Says," *Los Angeles Times*, July 18, 2000, pg. A3.

¹¹ State of California, *State Planning Grant Application*, July 10, 2000, pg. 6.

¹² Brown, Richard E., et al, *Uninsured Californians in Assembly and Senate Districts, 2000*, UCLA Center for Health Policy Research, 2000, pg. 68.

¹³ *Ibid*, pg. 72.

After interviewing over 120 Latinos throughout the Greater Los Angeles area and analyzing their hospital bills, our conclusion is simply this: **hospitals in Southern California, both public and private, are billing self-paying, uninsured Latinos almost five times the amount that hospitals would receive and accept as payment in full from a health maintenance organization (HMO).**

The total amount billed to the individuals we made contact with is \$1,077,159. Total HMO charges for the billings would only total \$213,733 – thus, an excess of 404 percent of billed charges over HMO prices.¹⁴

We also did an analysis on the cost of medications that were posted on the medical bills of these self-paying Latino patients. Auditing \$63,834 of billed drug charges, we discovered that the average wholesale price for these drugs was \$12,622 – a mark-up of five times cost.¹⁵

The average per diem for HMO charges was \$865 while the average per diem for our study group was \$4,379.¹⁶ For purposes of this study, we were able to establish HMO costs, in good faith, by utilizing an actual billing agreement between a major health maintenance organization and a Los Angeles hospital.¹⁷ There may be other agreements with different provisions of which we are not aware. In California, HMO hospital pricing schedules are considered usual and customary since Californians, as a majority, are enrolled in HMOs. “California continues to lead the nation in HMO enrollment, with 55 percent of the state’s population participating in an HMO plan...”¹⁸

We believe that hospitals, colluding with merciless billing departments and ruthless collection agencies, are charging these outrageous fees so that they can offer superficial discounts and arrange long-term payment plans while making a profit on the most vulnerable: the uninsured Latino.

These excessive fees put a lot of pressure on families. According to U.S. Senator Paul Wellstone of Minnesota, “We know that nearly half of all debtors report that high medical costs forced them into bankruptcy.”¹⁹

Although the pricing scheme by hospitals in Southern California is applicable to all demographic groups, Latinos are easy targets, we believe, because of the language barrier (9 out of 10 the individuals we interviewed did not have command of the English language).

What follows are testimonials describing abuses ranging from aggressive collection efforts to shoddy health treatment. Included are cost comparisons of what these victims were billed and what a typical HMO would have paid.

Paying over 22 years

Here is an awful example of collection efforts. A Latino family in South Central Los Angeles owns a small home. Today, they are paying for the birth of their second child who was born in 1998. Initially they had been billed over \$3,000 for the birth of the child. Paying \$100 a month these last two years, they had almost eliminated the debt

¹⁴ See Appendix A, which gives a detailed analysis of all bills collected from the Latinos we interviewed in Southern California.

¹⁵ See Appendix A.

¹⁶ See Appendix A.

¹⁷ See Appendix B. This is an actual compensation agreement between a major HMO and Los Angeles hospital. There may be other agreements with different provisions of which we are not aware.

¹⁸ “California Leads HMO Enrollment,” www.pharmrep.com, August 2000.

¹⁹ Associated Press, “Senate Nixes Bankruptcy Exemptions,” www.nytimes.com, March 8, 2001.

when a new bill arrived for the three days of hospitalization following the birth. A payment plan calls on them to pay the \$10,689 in 268 payments of \$40. By the time they finish paying this debt, their child will be grown, done with college, and probably married. “First they told me to pay it all. [A]fter calling the phone number [on the bill] the man asked me how much could I pay. I told him I couldn’t pay because I do not work. My husband works alone. He then asked me how much I could send him. I told him the most I could send him was \$40. They just sent me this letter and now want a payment on the 25th. Here it says 268 payments.”²⁰ What would an HMO pay on this \$10,689 bill? \$2,490.

Charge it!

An awful practice of making Latinos pay off these exaggerated hospital bills on credit cards is common. In one case, a Latino woman gives birth to a child via caesarean section. Although she had coverage for the surgery, she had none for the removal of the stitches. The doctor who removed the stitches charged her \$1,750. “When it was sent to collections, I asked my husband what we should do. I told him we had to pay this money; it is in collections. I told him that we should apply for a credit card and pay it with the credit card. Well the credit card is still there because we have not finished paying it. But they never told me that I wasn’t covered and that I would have to pay...\$1,750. And now I have paid more than \$3,000 with all the interest and with everything.”²¹ What would this have cost the typical HMO? \$525.

A family in South Central Los Angeles was intimidated by a collection agency and ended up placing a \$900 charge on their credit card even though they had already paid the bill. “I sent the payment on time and here is my proof [showing money order stub and copies]. This notice says that if you have already paid then you should just disregard it. I was sent to collections; they said they had never cashed the money order and that is why I was being charged. I left the state for about one month and they kept calling my husband. He went to see why they were calling and to tell them that I had already paid. They told him that according to their records, I had not paid. They told him that he had to pay \$900 now, if not he would have to pay \$1,800. He used his credit card to pay it...he paid \$900. If he would have not paid it when he went to speak to them, they said that our total would be \$1,800.”²²

Large Discounts

As stated earlier, we believe that hospitals charge uninsured Latinos inflated and excessive fees so that they can offer superficial discounts to these victims and still turn a profit.

The son of an automobile mechanic at a Ford dealership has emergency surgery and is billed over \$6,000. But his father negotiates the bill. “I went to speak to them, and I asked them how much it would be if I paid cash, that if they would give me a discount. I got a 50 percent discount. I paid \$3,500 to the hospital and that includes \$500 for the anesthesiologist.”²³ What would the HMO price be for this \$6,242 hospital bill? A mere \$945; yet, the “discounted” price is over three times that customary amount.

²⁰ Case 87 interview, Los Angeles, CA, May 18, 2001.

²¹ Case 41 interview, Los Angeles, CA, April 3, 2001.

²² Case 100 interview, Los Angeles, CA, May 21, 2001.

²³ Case 122 interview, Anaheim, CA, May 24, 2001.

For a young 19-year-old originally from Guatemala, her hospital was willing to reduce a balance of \$5,700 to \$3,400 if it were paid in full.²⁴ An HMO would have paid \$830, a fourth of the “reduced” balance.

A Highland Park woman was offered an 80 percent discount if she paid her balance in full. “I spoke to a young lady at the hospital; I even cried at the hospital because they were not giving me the right information. They...gave me a number and I spoke to this person. She lowered my bill to \$5,000 but they wanted me to pay it all at once.”²⁵ This woman’s bill for a three-day stay totals \$23,894. Total HMO charges would have been \$2,490, almost 10 percent of what was billed. The “heavily discounted” price of \$5,000 is still double what an HMO would have paid.

A Panamanian mother who works at a hospital suffers some chest pain at work. Her co-workers admit her into the emergency room even though she felt it was only a case of gas or heartburn. “[T]he account was for \$7,873.31. They said they reduced it as shown on this paper. It stated that they would reduce it to a little over \$1,000.... Do you know why? They didn’t think that I was educated. I started to analyze everything. I am paying them for all this independently. I am paying. I even paid this [expletive] doctor!”²⁶

But some discounts can be used to obtain partial payments without closing the account. Take the story of this handyman who cut his leg with an electrical saw. He was offered a discount, but the discount was never reflected on his bill. “I don’t remember exactly the day, but I think it was a Sunday. They [called me and] told me my account had a balance of \$1,060. I asked, why so much money for a wound? He said if this is a lot, I’ll tell you what, if you come in no later than today and pay \$400 your account will be closed. I said that’s fine. I will pass by right now and pay the \$400. I went on the 10th of November and paid them the \$400. Is this all I have to pay? Yes, this is all. Two weeks later, I received a bill for the rest of the amount...stating that I had to pay the remaining balance. I called and told them that I had already paid them. They told me...the computer says your balance is not cleared. We will look into it, they said.”²⁷

Likewise, a gentleman in Rowland Heights, California had this experience: “The hospital already sent me to collections for the amount of \$860. The collection agency called to pressure me one day. They pressured me in such a manner that I don’t know in what way I pressured my [friends and family] to come up with \$400. I sent them the \$400. One week later, I received a letter where the balance was not reduced. It was still \$860. They did not explain why.”²⁸

Please Die So We Can Give You a 100% Discount

A granddaughter sees her beloved “*abuelita*” suffer from shortness of breath, a possible heart attack in the family apartment near Venice Boulevard in Los Angeles. She alerts her mother who works as a babysitter during the day. After a five and a half hour visit to the emergency room, tolling in at \$2,912.68 (an HMO would have paid \$874), the daughter is on the phone with the billing staff. “I received a call from a receptionist at the hospital stating she did not like Latinos. Why do you use our hospitals if they are private and you don’t have money? I told the receptionist the paramedics made the decision not

²⁴ Case 115, documents.

²⁵ Case 113 interview, Highland Park, CA, May 23, 2001.

²⁶ Case 7 interview, Bellflower, CA, February 6, 2001.

²⁷ Case 6 interview, El Monte, CA, February 5, 2001.

²⁸ Case 11 interview, Rowland Heights, February 7, 2001.

me. I am not going to tell them I want you to take [my mother] to a poor person's hospital. They take patients to where they think it's closer. When I spoke to the receptionist she said we want you to pay this bill. She said there is a way to pay: if your mom dies, the account will erase. I don't want my mom to die...I have to wait for my mom to die to clear the account? It's terrible!"²⁹

"We are going to lose our home"

On this quiet street not far from Disneyland, a Latino couple seeks resolution to a huge hospital bill for a three-day admission after the victim had been poisoned. The victim recalls, "The hospital wants me to get a loan for \$16,020, paid in cash, no payments. They told me they were not a bank and that they did not accept payments. The only place I can get a loan is through our home. Our payment is so high, we are one month behind and how are we are going to [afford] another payment? We are going to lose our home."³⁰ The hospital would have typically accepted \$1,660 from an HMO for the same services; that is about 10 percent of what was billed to this victim. In other words, she was charged 10 times the customary and typical HMO payment.

No Detailed Bills

Some hospitals are reluctant to offer a detailed, itemized statement of charges to patients. One Latino who had been in the hospital on two occasions made a request: "I called them and asked that how could it be possible to be charged the same amount as the first [hospital visit of seven days], if this second time I had only been in the hospital for two days and a half. I asked for a detailed bill and they said they were not able to give me that bill."³¹

A man living in the San Fernando Valley suffering from Kidney ailments, claims, "The hospital never sent me a bill. They sent me directly to collections."³² How much are they trying to collect? \$9,364. The usual HMO payment? \$1,660.

A Latino widow, who lives alone in a garage in East Los Angeles, tried to get a detailed billing, even going so far in person. "I would call and call to request a summary on what was done to me. They said no. We already billed you. I figured it would be better if I went in person. My sister-in-law went with me to talk to them. We asked them why are they billing me so much? [The hospital staff] said they didn't know. You have to pay the amount that is due...I asked the girl if she would write the amount that I owed on a piece of paper. That's all she gave me."³³

Signing Their Life Away

Many patients admitted to a hospital fill out and/or sign documents making them responsible for paying the hospital for costs incurred. For many Latinos in Southern California, the language barrier causes them to sign documents in English without understanding what they are signing or what they are committing to financially.

Some examples: A Latino woman suffering from hepatitis rushes to the hospital. "We definitely did not read this paper because they just had us sign it and then they took us in."³⁴ She was billed \$1,937. The usual charge? \$596.

²⁹ Case 12 interview, Los Angeles, CA, February 7, 2001.

³⁰ Case 93 interview, Anaheim, CA, May 19, 2001.

³¹ Case 112 interview, North Hollywood, CA, May 23, 2001.

³² Case 109 interview, Northridge, CA, May 23, 2001.

³³ Case 13 interview, East Los Angeles, February 22, 2001.

³⁴ Case 43 interview, Montclair, CA, April 4, 2001.

A longshoreman in Long Beach, California remembers, “I got that pain on my left-hand side. I waited and I didn’t pay much attention. I took two aspirins and I continued working. That evening I felt the pain stronger...I was admitted to emergency. They took an EKG and they told me to wait for a specialist. They took me into observation. The doctor told me they were going to be observing me. They told me to stay overnight. The next morning, a doctor came to see me and she talked to me about my symptoms, problems. She asked me that if the pain had gone away when I drank the aspirins. I told her that it had gone away and she said that if the pain had gone away, then it wasn’t heart problems. She released me and sent someone to have me sign some papers. They were in English. In reality I didn’t [understand the papers].”³⁵ His bill came out to \$7,257, seven times the amount an HMO would have paid, \$1,024.

Another Latino, assaulted at a restaurant, suffers from a gashing wound near his eye. “All I wanted is for them to give me stitches; my wound was too big.”³⁶ So he signed. His bill hit close to \$1,000. The hospital would typically have accepted \$284 from an HMO.

A gentleman goes in for a small rash. Eventually he is given a costly stomach and heart exam. Asked if they had explained the documents he signed, he replies, “No, they didn’t. A young man spoke Spanish, he said to sign here and I signed.”³⁷

Likewise, a woman who had gallbladder surgery, recalls, “I was just signing.”³⁸ The woman does not speak English. She spent two weeks in the hospital waiting for the proper machinery to be repaired so they could conduct the surgery. Her bill came out to \$71,763 – six times the usual HMO cost of \$11,620.

An older Latino goes to the hospital after having severe pain to the left arm. Even though she does not speak English fluently, she says, “Yes, they had me sign some English papers.”³⁹ Her bill for the pain? \$1,622, almost four times what an HMO would have paid the hospital, \$487.

A young mother suffers an asthma attack, drags her young son and drives herself to the hospital. As she awaits medical attention, documents are placed in front of her. “I didn’t read them, I just signed them.”⁴⁰ The cost of the asthma attack? \$10,022 – over 12 times the typical payment of \$830.

Pressure and Scare Tactics

The most abusive tactics are created by ruthless collection agencies and billing departments using high pressure and scare tactics for payment.

One Latino recalls her struggle with a collector: “If I had money I would have paid you. Don’t bother me anymore. One day he called my sister’s house. When I got home they gave me the message; my mother told me to call. The man told my mother there was an order for my arrest; you will go to jail if you do not call this man back. So then I had to call him back, I told him not to call and scare my family.”⁴¹

A Latino who owns a small rental property: “[The billing department] said that I had a property and that I would have to sell my property. They sent me a bill for \$7,000

³⁵ Case 97 interview, Long Beach, CA May 19, 2001.

³⁶ Case 44 interview, Yorba Linda, CA, April 4, 2001.

³⁷ Case 46 interview, Fontana, CA, April 4, 2001.

³⁸ Case 125 interview, Hawthorne, CA, May 25, 2001.

³⁹ Case 118 interview, Montebello, CA May 24, 2001.

⁴⁰ Case 96 interview, Long beach, CA, May 19, 2001.

⁴¹ Case 5 interview, Fontana, CA, February 5, 2001.

and then when they found out my source of income, they sent me a bill for about \$8,000. I told her I didn't have it. She suggested I sell my property, and that I had to pay half of my total. They have been calling me a lot. [My] husband told her [to stop calling.] He told her we didn't have money to pay. She said she was going to send us to collections. My husband told her to go ahead."⁴² This homeowner who was encouraged to sell her property has a bill totaling \$8,012. Even if she were to sell her property and pay half the bill at \$4,000, it would still be almost five times what a hospital would accept from an HMO, \$830.

In Riverside County, a Latino woman had a large tumor and had it removed. "A short time later I started receiving the bills. They started pressuring me and I told them I didn't have a job, I don't know what to do. They were calling me by phone and I told them I wasn't able to pay. They told me that I had to pay at least \$30 per month. I told them I would see what I could do; I have not signed anything that says I would pay. They are sending me bills and my account is always at \$12,000 or \$13,000 something like that? My account does not go down, and I don't know what they are charging me. Sometimes they send me this bill for \$10,434.30"⁴³ The hospital would most likely be paid \$866 from a health maintenance organization for the same procedures.

A sick diabetic Latino who incurred a bill of \$1,886 (an HMO would have paid \$566), signs a payment agreement after high pressure calls from the hospital: "[They told me that] I would have to go to court and see a judge or take me to jail or that they would garnish my husband's check. I told them that my husband earned very little. She said she would send me a paper that stated I would be paying \$30.00 per month, she asked me to sign it and then send it back....I signed it because I thought I would be working. That lady called and called."⁴⁴

Even efforts to try to pay bills come under heavy pressure from collection divisions. This woman got sick at a dinner show and was stuck with a \$1,212 hospital bill. "When I receive the bills, I called to come to an agreement with them. At no time did I refuse to pay. I called to arrange payment methods because I could not pay the amount in full. My husband earns around \$260 a week. So I can't send them \$200 a month. We have to pay rent; we also have a 12-year-old son in high school. It is my husband, my son, and I. Nobody helps us. They told me I had to pay the amount in full or pay \$200 monthly. If I didn't do either, they were going to send me to collections. I asked her, why are you going to send me to collections? I am not refusing to pay. That is done when someone refuses to pay. I have my rights, too. Those are hospital rules: if you don't send the \$200.00 monthly, you will be sent to collections."⁴⁵

One victim comments, "Like I say, I am not refusing to pay but with these pressures [I have paid]."⁴⁶

Appendix Unnecessarily Removed

A young boy takes ill. His father, who cuts and manufactures clothing for a living, takes his boy to the hospital. The doctors diagnose the boy as having acute appendicitis and rush him into surgery. His father was shocked to hear the post-surgery report: "After

⁴² Case 126 interview, South Gate, CA, May 25, 2001.

⁴³ Case 105 interview, Pomona, CA May 22, 2001.

⁴⁴ Case 102 interview, Colton, CA, May 22, 2001.

⁴⁵ Case 9 interview, Norwalk, CA, February 7, 2001.

⁴⁶ Case 45 interview, Colton, CA, April 4, 2001.

the surgery the doctor said it was not the appendix; it was just an infection. We took the appendix out anyway...”⁴⁷ But what was even more of a surprise was the \$27,433 bill for the two day hospitalization. “Oh, no! I never realized it was going to be so much. At that time I was only thinking about my son’s health. It will probably take me years to pay that amount,” says the father. What would an HMO have paid? \$1,660.

Balance Billing

Balance billing is the practice in which a hospital asks for the remaining balance of an inflated bill that has already been paid partially at a reduced and agreed to rate by a government agency or insurance company. This man, originally from El Salvador, had heart surgery. His bill came out to \$34,868 for one day. A typical payment on this bill would have been \$2,706.

“I applied for payment through Medi-cal. I didn’t have enough money to pay them. I went through the process so they would pay for everything. After a while, the social worker informed me that, yes, the bills would be paid and for my part, I would have to pay only \$385. I paid it. I paid it at that time. Apparently, I was calm because I was finished. But it resulted that after one year, 15 months later, other bills from the hospital started to arrive from the department of finances saying I owed around, close to \$8,000. I think the exact amount was \$7,717. I was talking to a person...who was in charge of the accounts there. She informed me that according to what the computer said the balance had not been paid in its entirety. The bill was \$34,000 and I still had a balance against me as I said of \$7,717.”⁴⁸

Asked if he was still paying the bill, he replied, “I’m paying it. I’m paying it...[A] young lady gave me some advice to talk to the doctor who had operated on me....He gave me a discount of \$3,000. He had billed me the total amount of \$7,717.

He left it at exactly \$4,000; I am still paying that amount. \$10 or \$25 [a month].”⁴⁹

Pacemaker? What Pacemaker?

This auto mechanic owns a small transmission shop in Santa Ana, California. He had a horrific illness, but was surprised when hospital staff claimed he had a pacemaker. “I had a cold. I went to the doctor.... They gave me a shot, because I felt very cold. The next day, I continued feeling the same. I called the doctor and he said that it was normal. He said to continue taking my medicine. I continued taking my medicine, but I didn’t feel better. I didn’t go to work for two days, I was eating breakfast with my wife the next day at about 11:00 a.m. and I got up and went to bed. My temperature was very high. When my wife came into the room I was on the floor. The ambulance came and took me to the hospital. I was in a coma for three days, during that time they gave me a CAT Scan, they checked to see if I had Epilepsy, heart condition, lung problems, kidney problems, and liver problems; they checked for everything, but it was all normal. It is strange that my heart was always normal. I was able to move, whenever the nurses tried putting injections. I tried taking them out. Everything seemed to be normal, I was able to open my eyes, but I wasn’t able to talk. They x-rayed my lungs and discovered that I have a valve, a pacemaker, in my heart, but it is strange because I do not have a scar and I had never been in a hospital. There is no reason for them to say that. They took another

⁴⁷ Case 36 interview, South Gate, CA, March 30, 2001.

⁴⁸ Case 1 interview, Pomona, CA, February 5, 2001.

⁴⁹ Ibid.

x-ray and said that I have a valve in my heart; it is not true. I am from a ranch in Mexico and they did not have that over there and I had never been to a hospital here. Well anyhow, I woke up just like we are talking right now. I was ready to go home, nothing was hurting anymore, but they wanted to observe me for two days. That was all. And then I got that bill after all this time.”⁵⁰

What was the total bill for this visit, including two days of observation? \$29,754. The usual cost for an HMO is \$3,320. This auto mechanic was charged nine times the usual.

\$4,143.85 for Stomach Flu

A working father, originally from Ecuador, comes home to find his daughter ill with diarrhea and vomiting. He took her to the hospital, hoping for some care. Soon he receives an onslaught of bills. “One day, one bill, another day another bill with exaggerated amounts. For example this one says \$3,546. There is another letter, which demands the amount to be paid in full today. Three days after the notification I got another bill for the amount of \$333. Later I receive another bill from a doctor who had performed some test on her from a clinic. It came out to be a total of \$4,143.85. For diarrhea and vomiting. They made such a big deal from a simple diarrhea and an infection that she had to have an antibiotic. They had us waiting for eight hours before she was treated at this hospital. Then I receive this bill for \$4,145.”⁵¹ How much would an HMO have typically paid? \$1,000.

Run Over by a Car then Hit by an Enormous Hospital Bill

Distributing information at a hospital for a living, this 23-year-old woman, originally from Oaxaca, Mexico, never expected to get a bill for an amount that is nine times what an HMO would have paid.

“I was run over when I was crossing the street. When the police got there, they were not able to take a report because the paramedics took me right away. My foot was fractured. I was [at the hospital] for eight days. I would want to pay it but it is too high. Originally, they were calling me from [collections for paramedic services] and asking me for their money. They said I did not want to pay them. [Today,] I have a pain on my eye, and I can’t bend my leg correctly.”⁵²

Total billed: \$48,980. Total HMO charges: \$4,980.

An Expensive Injury

“[My young son] fell here in the living room. He had just taken a bath. And I was making something for them to eat. He passed and tripped over his sister’s foot and fell down on his elbow. When I saw him his elbow was already injured. I called quickly because it was not a very long process between the time he was here and the time we took him to the hospital”⁵³ This family is now faced with a medical bill totaling \$8,742 – ten times what a hospital would agree to with an HMO, \$830.

The Most Severe Case of Abuse

From all the cases we studied nothing is as moving as the case of a young woman who came from Colombia to be with her husband in West Covina, California. Last year, she spent 24 days in a hospital after suffering from appendicitis and complications from

⁵⁰ Case 89 interview, Santa Ana, May 19, 2001.

⁵¹ Case 16 interview, Lynwood, CA, February 8, 2001.

⁵² Case 121 interview, Anaheim, CA, May 24, 2001.

⁵³ Case 65 interview, Riverside, CA, May 12, 2001.

the initial and second surgery. Her husband emotionally remembers, “On the seventh day they told some close friends she was going to die, then they told my brother. When I got there we had a meeting, they told us that she was fully gangrened in her intestine. I told the doctor I want you to tell me the truth and be honest with me. He told me, look at these pictures. They are pictures of your wife’s intestine. They all have gangrene. Your wife is going to die. They let at least 15 people know she was going to die.”⁵⁴

She survived.

As she recuperated from the second surgery, she had difficulty breathing because of alleged errors made in the hospital. The victim tells, “[My doctor] told me I had to have oxygen and a central line for 10 days. The next day they discharged me. I got [home] without a central line or oxygen. The doctor had said that they were not to transfer me because I was very delicate.”⁵⁵

Why did the hospital evict her nine days early?

“Because there was no money. The 10 days I was suppose to have the central line and oxygen I couldn’t have. My family members had to help me breath.”⁵⁶

The bill came out to a staggering \$131,021. The hospital would typically be satisfied with a \$45,857 payment from an HMO.

Pay More with Payments

A young woman goes in to have her appendix removed. She is charged \$27,026 for what would have been a \$6,860 bill if she were an HMO. Struggling to pay, she attempts to set up payment plans on the smaller bills but discovers they get charged more. “[My husband] called to ask about the bill for \$620. They wanted four payments... They told him it was a total of \$1,221. They send him [three] stubs for \$250 then the last one for \$471. He said in four payments should total \$620, not \$1,221.”⁵⁷

A family in Pomona has been paying \$37.57 a month and will be until April 18, 2006 for a \$4,175 hospital bill for their daughter who had a leg infection. The usual charge for the hospital visit would have been \$1,000.

Blue Light Special: Medical Bill Hurts More

A teenage girl who works part-time at K-Mart suffers severe abdominal pain. Like many young, part-time employees, she has no health benefits. She is eventually sent to emergency and charged \$33,707 for having her appendix removed. The customary HMO cost? \$1,100. Now faced with extremely high bills and no real ability to pay, she has put her credit history in jeopardy. When asked what hurt more, the medical bill or appendicitis, the victim replied, “The bill.”⁵⁸

Almost \$2,000 an Hour for this Emergency Room Visit

Originally from Zacatecas, Mexico, this Latino works as a chef at an Italian restaurant in the San Fernando Valley.

“I was working; it was going to be 11:00 p.m. when I suddenly got a pain. They called an ambulance. I went to the hospital. I was there for no more than three hours. They found stones in my kidney. But apparently they had already passed through the kidney. I always knew it was expensive being in the emergency room but never did I

⁵⁴ Case 21 interview, West Covina, CA, February 10, 2001.

⁵⁵ Ibid.

⁵⁶ Ibid.

⁵⁷ Case 3 interview, Colton, CA, February 2, 2001.

⁵⁸ Case 94 interview, Tustin, CA, May 19, 2001.

realize how expensive! They did not cure me....I am not refusing to pay. This amount is extremely exaggerated.”⁵⁹

The chef was billed \$5,936 for three hours. The usual and customary? \$1,000.

Maalox and a \$958 Bill

A woman feels ill with stomach pain and goes to the emergency ward of a local hospital. What did they do to her? “Nothing. Nothing. I arrived there with a headache. I asked them to give me at least a Tylenol for my headache. But nothing. [The doctor] just came in and touched my stomach and said, ‘I think you have Gastritis.’ That was all. He withdrew blood; he asked for a urine sample and that was all they did to me. And they gave me a little cup of Maalox.”⁶⁰ Total charges were \$958, what usually costs an HMO \$287.

Outrageous MRI Fees

Listen to this mother’s testimony: “I took [my daughter] to emergency, to a hospital...she had a pain on her pelvis. When I took her to the doctor they said she had one kidney smaller than the other. They ordered [an MRI] that would cost me \$1,700 [which] I was unable to pay at that moment. They did not want to see her at that moment because I did not have the money. I did not have anything to cover that [deposit]. I left unable to help my daughter. It was a \$1,700 deposit. They said it would cost approximately \$4,000 to \$5,000.”⁶¹ We discovered an agency in Los Angeles that charges \$285 out the door for the same type of MRI.⁶² That is 6 percent of what the hospital was going to bill the victim’s mother.

Pulled Muscle

In Arleta, California, a mother of two young children and wife of a construction worker recalls, “My husband got injured at work. He went to the hospital at about 6:00 p.m. and he was there for about three hours and it came out for about \$1,000. They gave him blood work, x-rays and a physical examination. [His injury was a] pulled muscle on his back.”⁶³ The typical payable charges would have been \$209.

Lost Eye Sight

A mother tragically and vividly remembers: “I first took my son to the dentist. They said everything was fine; they did some fillings. And then I took him for his vaccinations with his pediatrician. One vaccination, the last one that is required because he is nine years old: the hepatitis vaccination. They gave him the vaccination, and [later] he started feeling badly, with a fever and he would not move. The next day he woke up swollen, swollen, swollen. His eyes closed; his mouth closed and he could not see. Very swollen, all swollen. And he was hospitalized. I thought it was a reaction to the hepatitis shot. Some said it was a reaction to the hepatitis shot and others said it was a tooth infection and they were never able to tell what it really was. But I got stuck with the bill. It was an infection. They gave him an antibiotic until he was completely healed of swelling. When he opened his eyes, he said he could not see. He lost 90 percent of his sight from that incident. And from that day on he uses glasses.”⁶⁴ The cost for the

⁵⁹ Case 25 interview, Sherman Oaks, CA , February 12, 2001.

⁶⁰ Case 42 interview, North Hollywood, CA, April 3, 2001.

⁶¹ Case 47 interview, via telephone, May 11, 2001.

⁶² Maywood Open MRI, located in Maywood, CA.

⁶³ Case 108 interview, Arleta, CA, May 23, 2001.

⁶⁴ Case 48 interview, via telephone, April 5, 2001.

hospital visit was about \$8,000, according to the mother, which is over twice what a hospital would accept as payment in full.

Diplomatic surprise

A Deputy Consul General of a Latin American country living in Southern California received an American welcoming surprise. “It happened last year, in mid-June. I had a strong pain on my chest and I went to the hospital. In the hospital they had me in emergency for about three hours. A doctor came and he examined me and gave me an electrocardiogram. They gave me an aspirin. I repeat that I was in emergency for about three hours. And then they decided that I would have to stay in the hospital for one day so that they could give me a more complete analysis. This more complete analysis was to give me a cardiogram every three to four hours. The next morning, they gave me another electrocardiogram and x-ray and I also think they drew blood. But basically I was only in the hospital for one day. After two months, I received a bill for \$11,500 only for hospitalization. The total really surprised me.”⁶⁵

Although he settled for \$7,500 plus another \$1,000 for imaging charges, the typical pricing scheme would have been \$1,660. He was charged, after discount, five times the usual and customary charges.

Grilled Lemon Cures

A Latino couple that lives in Santa Ana, California and have a net income of about \$10,000 a year are faced with a \$1,575 hospital bill after the wife went to the hospital. “One of my fingers was infected. First I went to a clinic. I went there [over a period of] about ten days. The last day they told me that I was very bad and they sent me to the hospital. They sent me to emergency and they gave me an IV and antibiotics right away. I was there for about one or two hours. They gave me a prescription. It seems strange to us; we did not see any progress in any of the two places. [I] got better here at home.”⁶⁶

How did she get better?

“With a grilled lemon...I did not wrap it anymore either.”⁶⁷ Dowsing her finger in hot lemon juice, she cured her infection. The typical bill would have been \$473, about a third of what they have been charged.

Bang this Piñata

A small business owner is ill. She makes piñatas for a living and sells them in her party supplies store in Corona, California. “In the morning I had diarrhea and a very bad stomachache. [A doctor] sent me to the hospital. I went there. They took two hours to assist me and then about one or two hours for the doctor to see me. They did a series of analysis, and ...gave me a shot for the pain. They were going to take x-rays but I was unable to stand because of the pain. They decided to take me back to the bed and then they took a CAT Scan. They gave me a prescription with two medications....They told me to go and see my doctor the next day. I didn’t go back to the doctor. I didn’t go back because they didn’t do anything to me. I stayed in bed that whole week.”⁶⁸

⁶⁵ Case 52 interview, Los Angeles, CA, May 9, 2001.

⁶⁶ Case 123 interview, Santa Ana, CA, May 24, 2001.

⁶⁷ Ibid.

⁶⁸ Case 66 interview, Corona, CA, May 12, 2001.

After staying in bed, she was able to recuperate on her own. The total amount of her hospital bill was \$7,744. This piñata maker was charged almost eight times the typical hospital payment of \$1,000.

Assaulted and Beaten

A daughter is assaulted and beaten in school. The family of six migrated here from El Salvador, and lives in a sparsely furnished apartment in the San Fernando Valley. After four hours in the emergency room, the young girl is released. Her parents comment, “They didn’t even give her a prescription, nothing, nothing, and nothing.”⁶⁹ The bill came out to \$713, small compared to others, but a lot for this low-income family. The typical charge would have been \$216.

Concluding Thoughts: Ending the Exaggerated Expenses

Stretching from Oxnard to Yucaipa, from Lancaster to Temecula, the Latinos whose bills we analyzed all come from Southern California. Although not every testimonial is included, a reoccurring thought among the over 120 Latinos we made contact with is best captured by one of them: “I think [hospitals] charge too much, and they have not done anything to me.”⁷⁰

The statistical information in Appendix A demonstrates that hospitals are indeed overcharging cash-paying, uninsured Latinos in Los Angeles by almost **five times** what the hospitals accept as payment in full from an HMO.

Irene Wielawski, a former health care reporter for the *Los Angeles Times*, writes, “The hardship of being uninsured and having to pay out of pocket for medical treatment is an old story...But the current pricing situation, in which those least able to pay are being charged the most, gives the story a cynical new twist...The uninsured, with no organized voice emerge as losers.”⁷¹

Wielawski notes that “quoted prices diverged even more sharply from the true cost of doing business.”⁷²

In California, a “recent survey showed that California room and board hospital rates have increased 22.3 percent since 1997, compared to 3.6 percent nationally ...win[ning] large increase from the private sector.”⁷³

In our study, billed prices have “diverged” over 404 percent from what would be a customary, usual and reasonable compensation level.

There is no doubt that hospitals need to unequivocally end this immoral practice of overcharging patients with inflated medical bills. We ask, how high is unjust?

Instead of forcing these Latino victims to pay these outrageous bills on credit cards or selling off these exaggerated hospital bills to heartless collection agencies for pennies on the dollar, hospitals need to work these uninsured giving them fair, just and reasonable medical billings.

On top of that, hospitals should work with self-paying Latinos to set up reasonable payment plans, not a 22-year installment program or enormous monthly payment. Many Latinos we met with used similar words to this victim: “I would like [the

⁶⁹ Case 110 interview, North Hills, CA, May 23, 2001.

⁷⁰ Case 117 interview, Los Angeles, CA, May 24, 2001.

⁷¹ Wielawski, Irene, “Gouging the Medically Uninsured: A Tale of Two Bills,” *Health Affairs*, Vol.19, No. 5, September/October 2000, pg. 181.

⁷² Ibid, pg. 182.

⁷³ Grassel, Keith, “What is California Facing?” *Perspective*, www.calpers.ca.gov, Winter, 2001.

hospital] to work with me and make some type of payment arrangement. I am not denying payment.”⁷⁴

It is time for hospitals in Southern California to listen to their uninsured customer instead of mistreating them with contempt. The uninsured have “no organized voice,” but they do have a conscious and want to pay for services rendered.

But what can we do for these Latinos who remain uninsured and want to have private insurance?

Many have a high enough income that they do not qualify for government assistance like Medicaid; yet, they are not rich enough to afford private insurance or their employer does not provide it.

An auto repair shop owner remarks, “I am the owner, but it doesn’t produce a lot. To begin with [the shop] is hidden and too small. It doesn’t produce enough. There are times I just break even and I have to pay my workers. I have thought of getting medical insurance but I have never been able to because it is too expensive.”⁷⁵

As one husband points out, “I am the only one working, I earn \$7.00 an hour....”⁷⁶ How can he, a hard-working costume mask maker, afford health insurance to protect himself and his wife from price gouging and fraud?

How can the auto repair shop owner, uninsured, just breaking even, have a defender like fraud investigators who work for insurance companies, Medicare, and Medicaid?

The Brownsville Herald reports:

“The U.S. Congress is considering legislation that will create a ‘safety net’ for millions of Americans...for whom health insurance is becoming increasingly unavailable, unaffordable or unattainable. The ‘Fair Care for the Uninsured Act of 2001’ seeks to make health care accessible to more than 42 million uninsured Americans, extending a refundable tax credit up to \$3,000 per family, so they may be able to purchase private insurance. Brent Wilkes, executive director for the League of United Latin American Citizens (LULAC), said.... ‘Employers are having a hard time providing insurance and employees can’t afford private plans. This bill would help them, especially.’ Introduced by U.S. Sen. Rick Santorum, R-Pa., and U.S. Sen. Robert Torricelli, D-NJ, the measure is receiving bipartisan support in Washington, including endorsements from House Majority Leader, Richard Arme, R-Texas... for its affordability and portability. ‘The number of uninsured Americans is reaching a crisis point,’ Torricelli said. ‘By making health care more affordable, we can start to reduce the number of working families who live in constant fear that an illness will devastate their financial resources.’ Bill supporters expect the measure will level the playing field for minorities, including Hispanics, who make up more than half of all those without coverage. ‘The issue of affordable health coverage affects the Hispanic community disproportionately,’ Robert De Posada, executive director of the Hispanic Business Roundtable, said, citing U.S. Census 2000 figures. ‘Of the 42 million uninsured, almost 40 percent are Latinos while 22 percent are Black.’”⁷⁷

⁷⁴ Case 90 interview, Santa Ana, CA, May 19, 2001.

⁷⁵ Case 89 interview, Santa Ana, May 19, 2001.

⁷⁶ Case 116 interview, Los Angeles, CA, May 24, 2001.

⁷⁷ Benavidez, Rachel, “New Act May Help Insure the Poor,” *The Brownsville Herald*, May 30, 2001.

A nationwide Latino health care poll conducted by Zogby last month shows that 79.3 percent of Latinos polled support “a proposal [Fair Care] that provides a monetary incentive to all uninsured persons and families so they can purchase private health insurance. The proposal provides \$1,000 for an individual, \$2,000 for a couple, and \$3,000 for a family each year tax-free to buy health insurance.”⁷⁸

⁷⁸ Conducted May 1-9, 2001 by Enrique Herrera, subcontracted to Zogby, 763 respondents. Courtesy of Herrera Communications, Temecula, CA.

Addendum

Originally a separate document, the Consejo de Latinos Unidos released the following addendum on June 25, 2001. The addendum was a collection of more horror stories of uninsured victims that the Consejo had interview during early 2001:

Collection Hell

This Latino photo technician who works in Los Angeles gives this account: “[The hospital’s collection agency] sent me some bills that I do not owe. So I called the agency that is charging me and they told me that they had already sent me a lot of letters. That is not true. The fellow that helped me was very nice at first but then he was a little rude because he was sure that he had sent me those letters. I told him that if he had some type of proof and he said he had sent them and that if I did not receive them it was not his fault. I asked him who they were and I told them that I did not owe them any money and they were treating me as if I was a delinquent. I called a second time and they were rude to me again. I asked...do I owe the money or not? From that day on they had not sent me any letters, it was about \$500 or something like that. Two or three weeks ago they sent me this letter. I have tried calling this number but they never answer the phone. You simply have to pay with visa or master card; it is about \$800....I called several times. They always say to wait and be patient and I do not know what. I wait but they never answer and then it hangs up. They never answer. I think I called about twenty times in two or three days”.⁷⁹

Pain in the Penis for this Painter from Pomona

This Salvadorian, who paints homes and businesses for a living, was charged \$7,891 for a one-day visit for a heart ailment. A health maintenance organization would typically have paid \$830.

He recalls the horrific hospital treatment: “The doctor ordered a nurse to make me urinate forcefully. I do not know why. The nurse without asking me if I wanted to urinate, introduced a hose into my penis, it was almost the size of my penis. He did not ask me if I wanted them to do it; he did not ask me if I was prepared; he did not say anything to me. He took advantage that I was just lying there. He grabbed my penis, got a hose, put some liquids and he abruptly.... It hurt so much; I had never felt anything like that. I asked him what he had done; I stood silent without the ability to speak for 10 seconds. He said I would be okay in a few minutes. I told him, ‘you are stupid. Why did not you tell me, you were going to do this shit to me? This is my body bro.’ He said, ‘Just relax.’ The doctor told him to keep that one for about ten minutes. When I had the urge to urinate, I felt a terrible pain and that was when the machine was taking out my urine. After ten minutes my penis was numb. When the doctor came in he asked me how long I had that on. I told him that for about [inaudible], he asked a nurse to take it off. A female nurse was going to take it off and the male nurse told her that it was his job. I asked him that how was he going to take it off? He said, ‘If I do it slow it is going to hurt you’ and abruptly he yanked it off. He was talking to me when he pulled it off!” Asked if he screamed, the painter responds, “I think the whole hospital heard me. I screamed as if I were having a baby. He told me, ‘You’re okay’ and the other nurses asked me if I was fine. I told them that nothing was fine. It took about two hours, for my penis to return to

⁷⁹ Case 71 interview, Los Angeles, CA May 15, 2001.

normal, it just kept pounding. I think they are not professional; they do not know how to treat people.”⁸⁰

Gallstones Pains Ignored

Another case of poor treatment: “I have stones in my gallbladder. I always get very sick. I left very sick one day to the hospital. I arrived there...but they did not attend to me. After a while they called me and gave me some liquid medication in a cup. That calmed my pain down for a little while. They rested me in a bed. I thought I was going to have surgery but I did not. After the pain went down they send me home.... I was still in pain. I always have that problem. I’ve been there twice for the same pain.”⁸¹ She was charged \$2,206 for her one visit. An HMO would have dished out a mere \$662.

[We helped set up medical treatment for this sick woman who needed her gallbladder removed. When the surgery was conducted, the surgeon estimated that there were at least 30 stones in the woman’s gallbladder. It should have been removed about nine months earlier, when she first visited a hospital.

Just Outrageous!

“Supposedly [my daughter] had an infection on her leg inside her bone. We took her to the emergency room because she could not walk anymore. It hurt her to move her leg. I took her to the hospital....They did an ultrasound on her and they removed liquid. They gave her an antibiotic and IV.... That was it. \$4,020, I think.”⁸² How much would an HMO have settled for? \$1,000.

The family financed a portion of the bill, paying \$37.57 monthly until April 18, 2006 with an interest rate of 14.5 percent

In another case, a woman suffers from unusual menstrual bleeding.

“I remember that I was not there for even an hour. Supposedly they did everything that is listed here in this bill. They told me it had been a normal abortion. That was all.”⁸³ The cost for this hour visit? \$2,022, almost four times what a hospital would accept as payment in full from an HMO.

In Irvine, a concerned daughter remembers, “My dad suffered a minor heart attack.... We finally took him to a hospital and they told me that he had had a minor heart attack. They admitted him for about 1 week. They took x-ray and gave him IV. That’s all they did to him. They gave him medication. All his treatment came out to that amount. It was around \$40,000 for the week he was in the hospital.”⁸⁴

The hospital would have called the balance paid if it had received a \$3,200 check from an HMO. Interesting to note that the hospital charged him \$1,041 for medications. The average wholesale price of those drugs is \$249, a mark-up of 4.2 times!

Hospital’s Inaction Speaks Loudly

A TV and VCR repairman remarks, “I do not look at the quantity, I look at [the hospital’s] action. Not that their attention is bad, but if it is an emergency hospital, why did we have to wait eight hours? [T]hat is incorrect. They even said that there was not a

⁸⁰ Case 77 interview, Pomona, CA May 15, 2001

⁸¹ Case 15 interview, Los Angeles, CA February 8, 2001.

⁸² Case 2 interview, Pomona, CA, February 5, 2001.

⁸³ Case 10 interview, Fullerton, CA, March 30, 2001.

⁸⁴ Case 17 interview, Irvine, CA February 9, 2001.

doctor and no beds were available. I told them this was urgent and they said they could not help. I have nothing bad to say about the doctors...”⁸⁵

\$604 Nosebleed

This gentleman is a tailor in Temecula. He ended up paying for a severe nosebleed out-of-pocket. “After about 2 and half-hours they decided to put a sponge on my nose and that stopped the bleeding a little. They gave me an IV and they were waiting for an ear and nose specialist to come in. I was sent home. They wanted me to make an appointment; I was not able to go back because I do not have insurance. I received a bill for \$604.14.”⁸⁶

The amount for an HMO? \$181.

Car Crash Leads to \$14,000 bill

A Latino from the San Fernando Valley talks about her spouse: “[My husband] had an [automobile] accident and went to the hospital. He was there for 3 days. The day of the accident his blood pressure went up. They did several tests on him that day....They billed him for \$14,000.”⁸⁷

What would an HMO have usually paid? \$1,660 –an overcharge of at least eight times!

Standard Operating Procedure

“I went to the hospital [for] an emergency surgery. The bills began to accumulate because the doctor gave me two different appointments to see if he really was going to do the surgery or not...I only gave them \$500 for the surgery. After the surgery, I was in the hospital for about 5 to 6 days. Then I received a bill for the amount of \$38,000.... They sent me to collections.”⁸⁸

This mother of two lives in Tustin and could have paid \$4,980 for this stay if she were an HMO. Instead, she was sent to collections by a hospital; credit history destroyed.

Phony Forty-Percent Discount

“I called emergency 911; the paramedics came, but the boy would not react. He was unconscious for about five minutes. They gave him a shot but he would not wake up; he was not unconscious but he would not talk. He had this same convulsion in Mexico, but he had not had it for about two years. The paramedics told me that there were not any specialists at any of the local hospitals and that they would have to take him to Los Angeles, by helicopter. They took him to a local school and then they put him on the helicopter.”⁸⁹

The hospital total for this convulsion? \$2,607 —not including the helicopter ride. Now the hospital is offering a forty percent discount on the balance.

We have concluded that many hospitals overcharge patients so that they can offer superficial discounts. Here it is no different. An HMO would have paid \$782 on this bill, almost half of the “discounted” price.

Bullet Wound’s Clean- up Charges: Painful

“I was shot, and the ambulance took me to [a private hospital]. I was there for about three hours; they did not even take the bullet out of me; they cleaned my wound;

⁸⁵ Case 67 interview, Los Angeles, CA May 12, 2001.

⁸⁶ Case 20 interview, Temecula, CA April 3, 2001.

⁸⁷ Case 22 interview, Canoga Park, CA February 12, 2001.

⁸⁸ Case 27 interview, Tustin, CA February 13, 2001.

⁸⁹ Case 81 interview, Baldwin Park, CA May 16, 2001.

and they took a couple of x-rays. And they sent me the bill for \$8,163. [T]hey sent me to [a public county hospital] because I did not have insurance.”⁹⁰

This 21-year-old crime victim has been charged over eight times what an HMO would have paid in this emergency situation: \$1,000.

The bullet was never removed.

Unknown Pain Creates Known Billing Pain

“I was suffocating,” describes this Latino, “I did not know what it was. This had never happened to me. I went to emergency and they had me there for about one to two hours. They took x-rays and they put a lot of patches, maybe it was a Cardiogram, they did not explain anything to me. That was all and then they sent me home.”⁹¹

The cost to check this mystery ailment? \$4,336, over four times what would have been an acceptable payment in full by an HMO of \$1,000.

In Norwalk, a Latino also suffered a mysterious ailment. “I went because I got a pain while I was working. I went to a doctor; he did not help me he told me to go to the hospital. I went to the hospital, I was there for about an hour and a half and they did not find anything. I came home and then they sent me this bill...”⁹² The painful amount? \$3,601.

“Cha-Ching”

A port security guard who lives in the South Bay recalls, “I was living alone in Santa Ana and I got very sick. I went to a doctor and I had already gone so that he could give me something for diabetes. He gave me medicine, but my sickness progressed. I was working but the moment came that I was unable to work. I went to this clinic and the doctor told me I was very bad that it looked like I had Pneumonia and my blood sugar was at 900.”⁹³

After six days in the hospital, the bill went “cha-ching” at \$35,664 —about seven times what an HMO would have usually paid: \$4,980.

A Closing Opinion

A Latino observes:

“I would like to have and pay for medical insurance and have security that I am going to be seen and that I am not going to have any problem. I know that even some that have medical insurance have problems, but those of us that do not have medical insurance have a greater disadvantage. We suffer a lot; we are humiliated; we waste time calling by phone, getting out of work. In general we suffer. Services are scarce for us.”⁹⁴

⁹⁰ Case 84 interview, Lynwood, CA May 18, 2001.

⁹¹ Case 75 interview, Whittier, CA May 15, 2001.

⁹² Case 80 interview, Norwalk, CA May 16, 2001.

⁹³ Case 78 interview, Hawthorne, CA May 16, 2001.

⁹⁴ Case 71 interview, Los Angeles, CA May 15, 2001.

About the Author

A veteran of three Presidential campaigns, K.B. Forbes served as Traveling Press Secretary for the 2000 Presidential campaign of Steve Forbes (no relation). Following the November election, he spent six months in the Latino neighborhoods of Southern California. Between February 5 and May 25, 2001, Forbes visited with and interviewed several hundred uninsured Latino families, drove over 8,000 miles on L.A. Freeways, and locked his keys twice in his car. A former English as a Second Language teacher near Watts, Los Angeles, Forbes is the son of a Latino immigrant.

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