

Infierno

An Investigative Report on Price Gouging and Aggressive Collection
Activities Against the Uninsured by Hospitals in
Chicago, Denver, Oklahoma City, and Orlando

K.B. Forbes

Consejo de Latinos Unidos
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Special Note for the Reader

We have an overwhelming amount of testimonials included in this report, much more than what we originally had expected to include. The amount of information presented in this report is indicative of the magnitude and seriousness of this prevalent issue.

Many of the families we interviewed were concerned about retaliation by local area hospitals. Therefore, we have only included their first names and an initial to protect their identity.

Executive Summary

Since January, the Consejo de Latinos Unidos has been contacted by over 600 families who believe they were victims of hospital price gouging. In a period equaling three months, the Consejo personally met with and interviewed over 200 victims of alleged hospital price gouging in Chicago, Denver, Oklahoma City, and Orlando. The Consejo collected over \$3 million in hospital bills. A majority of these victims are uninsured Latinos.

While many recent studies and reports about the uninsured have focused on the lack of access to care or health risks associated with not having medical insurance, our investigation simply took a look at a quiet but growing “cause and effect” problem against the uninsured: price gouging and strong-armed collection practices by hospitals.

When we talk about the uninsured, we are talking about families that are not poor enough to qualify for Medicaid or charity care, and not wealthy enough (or healthy enough) to purchase health insurance. They are striving to live the American Dream.

Hospitals seem to be intentionally trying to confuse people and deflect the media by throwing out numbers about the millions they give away for charity care, for uncompensated care, or in write-offs.

Let’s be clear: We are not talking about charity care cases. We are talking about uninsured families who are stuck paying the bill.

Recommendations

After reviewing the testimonies and examining the hospital bills of the 200 plus victims, we make three recommendations based on our key findings:

- Either Congress or the Bush Administration must conduct a thorough probe into the billing and collection practices against the uninsured by HCA, the nation’s largest hospital chain. HCA appears to be engaged in the most deplorable, immoral, and egregious behavior we have ever seen against the uninsured.
- The profitable scheme of price gouging the uninsured—many who happen to be minorities—and aggressively collecting on those outrageously high bills must end. Hospitals have found a niche market and hide behind “charity care” or “uncompensated care” to deflect attention away from their truly unconscionable conduct of price-gouging the uninsured. Inquiries by state commissions on civil rights and federal regulatory and law enforcement agencies are encouraged.
- Hospitals across the country should voluntarily adopt a reasonable pricing structure for the uninsured that does not discriminate based on a person’s race, ethnicity, or income. Tenet Healthcare’s “Compact With the Uninsured” (see Appendix B) is an example of excellence in treating the uninsured with dignity, fairness, and respect.

Key Findings

Our work in four states has produced the following key findings about hospitals and their treatment of the uninsured:

- Uninsured patients are price gouged anywhere from two to five times more than what a typical insurance company would pay for the same procedure and services.
- Uninsured patients are the perfect target for aggressive hospital collection practices and are subjected to harassing phone calls, threats of lawsuits, destroyed credit histories, garnishment of wages, loss of savings, property liens, and other immoral behavior.
- Most uninsured patients are never contacted by a hospital's financial counselor or social worker to apply for government programs or charity care.
- Many of the few uninsured patients who do apply through the hospital for charity care or discount program never hear back from the hospital.
- Most accounts are sent almost immediately to collections. Unreasonable, inflexible, or unrealistic terms are sought by these collection agencies.
- All the uninsured patients were asked for payment in full and/or rarely offered payment plans.
- Discounts are superficial, arbitrary, and extremely difficult to fulfill.

In three states (Oklahoma, Florida, and Colorado), we uncovered some key findings about HCA:

- HCA appears to have overcharged the uninsured \$2.1 billion in 2002 (see Appendix C).
- HCA appears to use the following strategic, systematic, and aggressive collection practices: placing property liens, garnishing wages, seizing savings, and taking the hard-earned assets of uninsured Latinos and other moderate income patients.
- HCA's institutional discount policies for the uninsured may exist on paper but do not appear to be working in the marketplace for the benefit of the uninsured.
- HCA appears to have established an elaborate, public relations scheme to divert attention away from its aggressive collection tactics.
- HCA appears to invest more time in training savvy collection agents rather than making a sincere effort in establishing patient advocates.
- The most incredible finding during this entire investigation is HCA appears to demand that some uninsured patients sign a nondisclosure agreement after a significant deposit for hospital services is made.

- HCA appears to discriminate against some uninsured by labeling treatment of extremely painful conditions as “elective.”
- HCA appears to require some uninsured patients to deposit large amounts of money before so-called “elective” treatment is rendered.

Introduction and Background

The Institute of Medicine recently concluded that “uninsured people are more likely to receive too little medical care and to receive it too late, to be sicker and to die sooner. They receive fewer preventative services, less regular care for chronic disease, and poorer care in the hospital.”¹

For the past decade, researchers have been spending an enormous amount of time and energy on studies about the high health risks related to lack of the health insurance. Last month, a review of those studies on the uninsured found “that there is a substantial body of research supporting the hypotheses that having health insurance improves health and that better health leads to higher labor force participation and higher income.”²

Yet, there appears to be little research or studies about the profitable and aggressive collection practices against the uninsured by hospitals, all created by the extreme price gouging of patients who happen to lack health insurance. Maybe researchers should now look at the fact that having health insurance protects you from economic ruin.

In 1990, a U.S. Department of Health and Human Services report acknowledged that “patients without insurance have the shortest lengths of stay in hospital...but the highest charges per day.”³ Now, thirteen years later, our report hopes to bring to light the egregious collection behavior of hospitals across the country caused by “the highest charges.”

Our investigative report is simply documenting and reporting the testimonials of patients from four different states. We have also included a price-gouging report on \$1.3 million in hospital bills we were able to analyze (See Appendix A). We collected over \$3 million in medical bills and testimonials from more than 200 patients, a majority of whom are Latino.

Paying the Outrageously High Bills

As many middle-income and upper-income individuals enter the world of the uninsured, we believe hospitals have quietly cultivated a lucrative self-pay market and are collecting significant sums of money from uninsured patients, including low-income families who may own a home. By pressuring uninsureds to make high monthly payments, offering superficial lump-payment “discounts,” encouraging credit card debt, and suing those with assets, hospitals are reaping in huge profits off the backs of families who lack medical insurance coverage.

“The uninsured pay the most and patients with insurance plans are charged the least.”⁴

Why?

¹ Institute of Medicine, *A Shared Destiny*, March 2003, page 2.

² Hadley, Jake, “Sicker and Poorer—The Consequences of Being Uninsured: A Review of the Research on the Relationship between Health Insurance, Medical Care Use, Health, Work and Income,” *Medical Care Research and Review*, June 2003, page 60 S.

³ Ku, Leighton, “Who is Paying the Big Bills Very High Cost Pediatric Hospitalizations in California, 1987,” U.S. Department of health and Human Services, August 1990, page 5.

⁴ Kolata, Gina, “Medical Fees Are Often Higher for Patients Without Insurance,” www.ezboard.com, April 3, 2001.

According to *The Wall Street Journal*, “Most U.S. hospitals are required to set official ‘charges’ for their services, but then they agree to discount or even ignore those charges when getting paid by big institutions such as insurance companies or the government. As a result, almost no one but uninsured individuals ever faces the official charges.”⁵

These list charges have skyrocketed in the last decade. “Hospitals established these prices to determine what percentage the government would pay for services. It did not take long for providers to inflate those prices to receive more money....Some charge double or triple the cost,”⁶ reports the *Christian Science Monitor*.

And the uninsured do pay. “Uninsured families are more likely to have large out-of-pocket medical expenses relative to income and often must borrow money to pay medical bills. [Uninsured families] pay, on average, up to 40 percent of their medical cost by themselves.”⁷

The common wisdom had been that the “increased costs [of the uninsured] are absorbed by providers as free care, passed on to the insured via cost shifting and higher health premiums, or paid by taxpayers through higher taxes....”⁸

But that strategy has changed. Hospitals appear to be tapping into the hard-earned assets of some uninsureds, for they have, indeed, become profitable when price gouging is in play. A spokesperson for Consumers Union states that “the uninsured have not fought back in large numbers because few realize they are being overcharged.”⁹

The Consejo Takes a Closer Look

The Consejo de Latinos Unidos (or Council of United Latinos) is a national nonprofit organization which educates and assists Latinos and others in the areas of health care, police protection, immigration, and education.

On January 28, 2003, *The Wall Street Journal* reported “a big win” for the Consejo when Tenet Healthcare, the nation’s second largest hospital chain announced that it would end the practice of price gouging uninsured patients and adopt a “Compact With the Uninsured” (see Appendix B). The Consejo was the first organization to outline Tenet’s “aggressive pricing strategies” in February of 2002.

We decided to expand our efforts and interview uninsured victims, even those who do not happen to be Latino, in different parts of the country. This year, we wanted to look at the cause and effect relationship between hospital price gouging and aggressive collection practices in a

⁵ Lagnado, Lucette, *The Wall Street Journal*, electronic version, March 17, 2003, page 1.

⁶ Miller, Sara B., “Probing Disparity in Healthcare Bills,” *The Christian Science Monitor*, electronic version, May 19, 2003, page 2.

⁷ Institute of Medicine, *A Shared Destiny*, March 2003, page 3.

⁸ “No health Insurance? It’s Enough to Make You Sick,” *The American College of Physicians-American Society of Internal Medicine*, November 30, 1999, page 1.

⁹ Miller, Sara B., “Probing Disparity in Healthcare Bills,” *The Christian Science Monitor*, electronic version, May 19, 2003, page 3.

variety of markets.. We launched four investigative studies on hospital billing and collection activities this year in Chicago, Denver, Oklahoma City, and Orlando.

In Denver, our investigation was a joint collaboration with the Colorado Consumer Health Initiative, a nonprofit group representing over 200 grass-roots organizations. In Chicago, our investigation was a joint collaboration with the Office of Congressman Luis V. Gutierrez.

The Consejo has been concerned about health care issues because one in three Latinos is uninsured. Among Latinos, there is a strong moral obligation to pay debts for services rendered. We believe hospitals are taking advantage of uninsured families and, in particular, our community because Latinos, like so many other Americans, so strongly wish to live in good-standing and preserve their credit worthiness.

As a final point, the Consejo has been contacted by over 2,500 families in the past two and a half years. Not a single person has ever said they did not want to pay their hospital bill; on the contrary, they always tell us that they want to pay “what we can afford” or “what is just.”

This investigative report is divided into six additional sections:

- Report on HCA
- Report on Chicago, Illinois
- Report on Denver, Colorado
- Report on Oklahoma City, Oklahoma
- Report on Orlando, Florida
- Conclusion

Each section, except for the conclusion, contains actual stories and testimonials from patients we interviewed.

Report on HCA

After months of meeting with various HCA victims in three states, the Consejo believes we were deceived when we met with officials from the nation's largest for-profit hospital chain last year. These officials tried to reassure us that they were reviewing their billing and collection policies. They claimed HCA would make changes to benefit the uninsured. HCA also claimed that it has always treated the uninsured fairly. We believe both claims are false.

In 2002, HCA appears to have overcharged the uninsured a mind-boggling \$2.1 billion (see Appendix C). The empirical evidence we collected demonstrates that HCA appears to be more concerned about protecting its outrageous hospital charges than in treating the uninsured with fairness, dignity, and respect.

HCA's so-called discount policy for the uninsured lets HCA serve as the jury and judge, and it gives the uninsured no voice and no options in the process. The empirical evidence from our work shows that HCA's policies only appear to exist on paper, not in the marketplace. "Financial counselor" is a sugar-coated word for a strong-armed collector who serves primarily to increase hospital profits, not to serve the interests of the patient. HCA appears to spend more time developing savvy collection agents instead of patient advocates.

When HCA came out with a "new and improved" financing plan for the uninsured in March of this year, it was obvious to us that the uninsured were never interviewed or consulted and that it was simply a publicity stunt. Every so-called revision has a weasel-worded qualifier. Under this worthless fluff, uninsured patients will have to prove their treatment is "nonelective," prove their home is worth less than \$300,000, prove they have the inability to pay before having their wages garnished, or wait until HCA finds it "appropriate" to offer a payment plan. If not, HCA will simply price gouge the uninsured and demand payment in full.

Last month, we received copies of a "charity assistance" letter that shows that HCA's discount plan appears to be nothing more than a scam for collections. Russell C. had surgery done on his broken ankle by OU Medical Center in Oklahoma City and was in the hospital for less than 12 hours.¹⁰ HCA billed the patient a staggering \$14,217. Although his surgery was outpatient, an insurance company would have typically paid \$4,900 for a three-day inpatient ankle surgery. Our victim was simply price-gouged.

Now to HCA's charity assistance: Russell's bill for ankle surgery was reduced to \$6,596.40. That balance is still 25 percent more than what an insurance company would have typically paid for three days of hospitalization. Furthermore, Russell is required to pay the hospital in six monthly installments of \$1,099.40—a financial burden he cannot fulfill. Using high-pressure collection tactics under the guise of "charity care," HCA generously states in their "charity assistance" letter:

"Failure to make the monthly installment payments described...above will result in this account being declared delinquent. If you default on this payment plan, then your account will be penalized by OU Medical Center, by adding one half of the outstanding

¹⁰ Case 717, June 29, 2003.

debt which you owe to OU Medical Center back on to the account before OU Medical Center proceeds with further collection efforts.”

Is HCA more concerned about profits than patients?

HCA’s deception of putting the wolf in sheep’s clothing is no surprise to us because HCA has a spotted history when it comes to honesty and integrity. Earlier this year, the hospital giant agreed to pay almost \$900 million to settle claims of Medicare and Medicaid fraud. Since 1999, HCA has paid a combined whopping \$1.7 billion to settle claims of fraud.

We know that government programs like Medicare have the full weight of the U.S Attorney’s Office behind them, while insurance companies have \$450-an-hour lawyers to protect them. But what about the uninsured? Who can protect the uninsured from price-gouging vultures?

After reading a detailed story in *The Denver Post* last January and conducting interviews with dozens of HCA victims in three states, we believe that HCA appears to be engaged in the most deplorable, immoral, and egregious behavior we have ever seen against the uninsured.

In April, HCA agreed to settle an antitrust action by the Attorney General of Florida. Although HCA denies they have done anything illegal, but will pay a fine, the Consent Order states the following:

“Prices for the use of health care facilities to public entities and other Florida consumers have been unlawfully inflated.”¹¹

Unlawfully or lawfully “inflated” prices have impacted the uninsured by forcing them to deal with collection agencies and unbearable debt. HCA appears to have an elaborate, well-trained (and bilingual) collection operation.

Our investigation looked at various hospital chains in four states. A plurality of the over 200 cases are from an HCA facility. The medical bills we collected from HCA patients total almost \$1 million. With such a large number of testimonials from one operator, we have dedicated an entire section of this report to HCA.

No one has ever complained to us about the quality of care at an HCA facility. The problems occur when you leave the hospital and are confronted by HCA collectors or the billing office. Below are some examples of actions taken against the uninsured by HCA hospitals. These are the most appalling stories the Consejo has ever documented.

Price Gouged Out of Needed Therapy

A Latino couple in Edmond, Oklahoma, sent their 11-year-old son, Aaron R. to an HCA-operated medical center. Aaron was diagnosed with muscular dystrophy and was charged \$454 an hour for physical therapy by HCA -- about five times more than what a typical insurance company would have paid. After the family members had gone to several weekly sessions; they

¹¹ *Florida vs. HCA*, Case 03CV177FTM29dNF, U.S. District Court, Consent Order, Item 8 (b), April 23, 2003.

were never told how much it was going to be charged -- the family received a combined bill for \$6,400. Because of the expense and the hospital's refusal to give a discount, the family had no choice but to stop the therapy for the muscular dystrophy in late February.

The Consejo prepaid a month of physical therapy for the boy (three times a week for four weeks) that costs less than one session at the HCA-operated hospital. We also enrolled the boy in a horse riding therapy class that he attends twice a week in Edmond. Aaron's mother states: "I took my son to the hospital because he has muscular dystrophy. His pediatrician recommended that I take him to a neurologist. I was taking him to therapy. I am being charged \$6,468 for all their medical services. We have made payment arrangements and they are asking me to make [monthly] payments of \$180. I am a housekeeper. I want to pay my bill, but I would like to see my monthly payments go down. The doctor says that my son needs the therapy, but I have not taken him back because I cannot afford what they are charging me. I feel pressured by the hospital; they call me and ask me for their money. I went to the hospital and tried to get a discount, and they said they weren't able to give me a break. I think that I am not taking my son to therapy because I am being overcharged."¹²

Senior Citizen's Small Pension Seized

Betty C., a Senior Citizen in Florida is harassed by HCA collectors even though she is sending in what she can afford: "First I went to my doctor and he thought that it could be my appendix so he sent me [to the hospital]. When they took me in they asked me if I had insurance and I told them that I didn't have insurance. They kept me for about eight hours they gave me medication and then they called the surgeon and he sent me home. I went home and did not go back. I think that they did not take care of me because I did not have insurance. They never offered to help me out, and I was in horrific pain. I felt as if I were dying. They charged me \$2,400 for 8 hours. I send them \$20 monthly. The ultrasound said I had a lot of stones [but] I never had the gallstone surgery They had the information but they did not want to do anything. It still bothers me constantly. I do not ask for anything free, but if it an emergency they should take care of it. And I think they should give low-income people a discount. I understand this is their business and they need to make money. I am retired and I [have] worked as a seamstress. I signed documents that I would pay so much per month [but] the collection agency was harassing me. They would tell me that if I did not pay them the money they were going to take me to court. I called the hospital and told them that I did not appreciate the collection agency calling me; I told them that I had signed documents to pay the hospital and not the collection agency. The collection agency was horrible.... I couldn't get anyone to help me. The hospital did not try helping me but they did send the collectors. I told them I would take them to court for harassing me. They took \$490 from my pension. They never tried helping me."¹³

Senior Citizen Forced to Withdraw Life Savings

One victim we interviewed in Orlando has created national headlines. From the *Associated Press*: "Shirley Kuybus says she walked into HCA's Central Florida Regional Medical Center

¹² Case 511, March 22, 2003.

¹³ Case 413, February 26, 2003.

last November bent over in pain, unable to eat, sleep or work. She desperately needed a gallbladder surgery, but before the doctor could operate, the hospital told the uninsured Denny's restaurant cook she would have to pay at least \$10,000 up front. "No money, no operation," Kuybus said she was told. Kuybus emptied nearly all her life savings from a money market account, gave the hospital \$15,000 and had her gallbladder removed in December. She eventually got the charge reduced to \$9,500, but the hospital kept most of the rest to pay for emergency room visits before the procedure, even though she had worked out a payment plan."¹⁴

Charge it! Woman Pays Major Medical Bill on Three Credit Cards

Consuelo F., a mother of five in Denver, was strong-armed into charging up her credit cards by HCA's Spanish language collection effort. Consuelo's husband works in construction. "I [was in] a car accident in Mexico. Upon returning from Mexico, I went to the hospital because I was feeling sick. My surgery was done in Mexico; one of my arms was amputated. I was in real bad pain. I was charged \$46,142.38 for my hospital stay. They gave me a 25 percent discount therefore I paid \$34,606.70. I was only given morphine, I-Vs, and blood. I had no surgery. I paid the \$34,606.70 on three credit cards. And then I took out a second mortgage ... to pay the credit cards. When I left the hospital, they did not offer me any financial assistance. I believe we were overcharged. I feel we were discriminated against."¹⁵

Monthly Payments Refused; HCA Demands Lump-Sum Payment

Marcos M., a diabetic Latino, who works at a Dry Cleaner, was doing his best to pay his hospital bill when HCA collectors called to tell him they no longer wanted his monthly payments. "I went to the hospital because I had been feeling sick for about one week. I was very thirsty and going to the restroom a lot. My wife took me to the hospital, they told me I had diabetes and I was kept for three days. I then started receiving these bills, I started sending them payments of \$50 and \$100. I wasn't able to send them more because I have to pay six different medical bills. I received a call from the hospital and they told me that did not accept a payment plan and I would have to pay them the total balance. I then received [a] 40 percent discount letter. I called the hospital and told them that maybe I would be able to borrow the money and I asked them to wait. They said they would not be able to wait and that I would have to speak to [their collection agency]. I spoke to [the collection agency] and someone from their office called me and said they could not give me a discount.... I could not make payments; I would have to pay it in full. I have spoken to many people about my situation and they do not understand why they are making me pay everything in full. They say that in the past they have been given the opportunity to make payments. The [HCA collection agency] representative told me that they would garnish my check, take my car, property, or money in the bank. I would like to know if they are really able to do this. He also told me that they would take me to court."¹⁶

¹⁴ Miller, Karin, "Hispanic Advocacy Group Investigating HCA's Treatment of Uninsured Patients," *Associated Press*, February 24, 2003.

¹⁵ Case 631, March 19, 2003.

¹⁶ Case 248, February 20, 2003.

Forced to Sign a Non-Disclosure Agreement

Malinda C. of Moore, Oklahoma was charged \$27,211 to repair a botched stomach hernia operation, about quadruple what an insurance company would pay. Even though blood and puss were excreting, the hospital viewed it as an “elective” procedure. The couple was required to deposit \$6,500. They were given a \$5,000 discount and are now paying off the \$15,000 due. “Before [my wife] was admitted I went down and talked to this man in administration at the hospital. She had already been told, by the doctors what time to come to the hospital. So I went over to see this man to make sure that we were going to be allowed to come in and to discuss paying it. He told me that they expected payment in full up to a certain amount of money. They had a three-day stay [rate]. They had a 5-day stay [rate]. We thought it would be a three-day stay When she was admitted I gave them \$6,500. Then I told him that day, how much money I could give him. [The HCA hospital representative] said that he would need to talk to his supervisor to see if we would be allowed to come in. I had to leave and he called me on the phone and said that my wife would be allowed to come in. They wanted to keep it quiet because they didn’t want anyone to know that we had been allowed to come in without insurance. Even though we paid them all this money up front. They made us sign a confidentiality agreement the day before. We’ve been making monthly payments. We started out paying \$450 a month but now we are paying \$200 or so. I had originally talked to someone who told me that I only had to make the \$200 payments but then later when I talked to a different person and they said that we had to pay \$450. We called again and they finally said that \$200 would be fine but that we could lose our discount that the hospital said we would get. This discount was offered to us before we ever settled on what the monthly payment was going to be. This person in the billing department said that we would have to pay the full bill. I would tell the president of HCA that the person I talked to in administration seemed like a callas, uncaring person who was only interested in money and that had little sympathy for our situation. Their discount is not really a discount. It is like something that a used car dealer pretends to give to you.”¹⁷

Payment Plan Rejected, Savings Raided, Wages Garnished

A simple one-day gallbladder surgery at an HCA hospital turned into a nightmare for Elva C. “Our hospital bill was for about \$20,000. Swedish Hospital said that they would probably be able to help me. I went to the hospital to try to make payment arrangements and I was told that they would not be able to help me because we earned more than \$30,000 per year. My husband’s paycheck is being garnished. I do not know where this money is being sent. We wonder if we are being charged two times for this surgery. This is a very difficult situation. My credit has been ruined. I tried buying a home but was not able to. The hospital said that if I paid \$2,500 on my account they would take it out of collections. I paid this money but they never took my account out of collections. They also took money from my bank account. I had made checks and they all bounced. We have never denied them payment. What is the difference if you have medical insurance or not? Why don’t they make payment arrangements and why are they so abusive in their billing practices? I am not denying payment. We have tried calling and no one has been able to help us. The hospital has not had very good communication

¹⁷ Case 229, January 29, 2003.

with us. We do not understand why we are being charged so much. We are not able to do anything now since our credit has been ruined.”¹⁸

\$10,000 for a Broken Arm and the Run Around

Mary W. of Yukon, Oklahoma had a taste of HCA’s outrageously high prices: \$10,000 to take of the young girl’s broken arm. HCA offered a 40 percent discount only if the payment was made in full. The \$6,000 deal is still almost double what an insurance company would pay. The local hospital refused to negotiate a reasonable payment plan and gave the family the run around when they tried. Her mother Stephanie says, “We first contacted the hospital after we weren’t approved [for government assistance] and tried to make arrangements to pay. That is when they started giving us the run around. Then we got all different sorts of answers. Nothing was ever consistent. You would always get a voice mail or if you talked to somebody they would always need to talk to their supervisors. Nobody ever called you back.”¹⁹

Social Worker? Patient Advocate? Not at this Hospital

We found an overwhelming amount of cases at HCA where no one had assisted the uninsured individuals with applying for government aid, charity care or HCA’s “discount” program. Sometimes the patient would go out of the way to apply for assistance. Juana P. has a typical testimony: “The hospital never had a social work contact us. We filled out some forms at the hospital but we have not heard from the hospital.”²⁰ If they were fortunate to apply for any type of non-government assistance, they rarely, if ever, heard back from HCA.

In Denver, Maria O. says, “When I received the bill I felt fatal. I was almost sent back to the hospital. I think that receiving the bill hurt more than my gallstones. A hospital social worker came to see me. She asked me if I had medical insurance. She said she would contact me again to make an appointment. She never called me back. I did not apply for Medicaid. I have never spoken to [her].”²¹

Rogelio P. in Oklahoma says, “I was in the [HCA] hospital for about 4 days [for stomach pain]. I was charged more than \$10,000 and they never gave me a diagnosis. I am still sick, but I do not want to go back because it is too expensive. No one at the hospital tried helping me get financial assistance. When I opened this bill, I felt terribly. I think that the uninsured and Hispanics are discriminated against. I earn about \$11,000 per year.”²²

A mother whose daughter had a severe vaginal infection was billed almost \$9,000 and offered no help. Maria A. says, “I was working at McDonalds. I was never offered a discount. They have continued sending me bills. I used to earn about \$700 per month, and now I earn about \$1,000 per month [as a housekeeper]. The hospital has never offered me financial assistance.”²³

¹⁸ Case 611, March 15, 2003.

¹⁹ Case 232, January 29, 2003

²⁰ Case 506, March 22, 2003.

²¹ Case 614, March 14, 2003.

²² Case 519, March 23, 2003.

²³ Case 509, March 22, 2003.

Still Waiting to Hear from HCA

In Florida, Freddy F. recalls: “I fell off a ladder and four days after I had fallen I decided to go to the hospital because I was in a lot of pain. I went to the hospital and I was given an injection and then I was sent home. I was charged more than \$7,000. When I opened this bill I felt badly; I did not think it was going to cost this much. I thought it was going to cost about \$500 to \$600. I am not able to pay the amount they are charging me, it is too much. I went to the hospital they gave this form, and they said to fill it out and that I would hear from them in about 90 days.”²⁴ He is still waiting to hear from HCA.

Shortness of Breath Leads to Shortness of Assistance

“I was not able to breathe correctly. I was in the [HCA] hospital for about three days. They kept me because I had had an asthma attack. They just drew blood, took x-rays, and did urine exams. Upon being admitted to the hospital I told them that I did not have insurance. The hospital did not try helping me with [non-government] financial assistance or discount. When I received the envelope, I could not believe that I was being charged more than \$13,000. I sent a payment of \$120 because they were sending me letters that I had to pay. I have already been sent to collections. I believe that there exists discrimination in the hospital [billing practices] towards Hispanics,”²⁵ says Carla G.

Rude HCA Collectors Harass Housekeeper

A housekeeper in Oklahoma, Elma C., who was never assisted by a social worker, has paid \$2,000 on a \$30,000 debt, but still receives “millions of calls” from HCA collectors, or shall we say financial counselors? “I had stomach pain. I was released that day. The hospital called that same evening and told me that it was urgent that I return to the hospital the following morning. I had surgery; one of my ovaries was removed. I was in the hospital for three days. I was charged \$18,000. I continued going back for chemotherapy. Around the time I was going in for chemotherapy, I became pregnant. I had miscarriage and had to back to the hospital. I was charged \$10,000 for this miscarriage. I was about three months pregnant, but the fetus was underdeveloped. I owe about \$30,000 total. A social worker never spoke to me. I was never offered a payment plan. I have received millions of calls here at work. They have been rude. I do not have medical insurance. I have been sending \$100 or \$175 [a month].”²⁶

Payment in Full, Please

We found that most HCA hospitals attempt to collect payments in full, even offering “discounts” of up to 40 percent. They appear not to offer discounts on payment plans. In addition, the uninsured are not usually offered reasonable payment plans over a reasonable period of time. Sometimes HCA will refuse monthly payments on their outrageously high bills.

²⁴ Case 418, February 26, 2003.

²⁵ Case 605, March 15, 2003.

²⁶ Case 554, March 24, 2003.

One victim, Roberta A., recalls, “[Hospital representatives] wanted about \$7,000 and as time went on they kept sending me letters trying to work out a deal. They said they could come down on the price. They said they would take off 20 percent or maybe even 30 percent. But that is if I paid it in full by a certain date.”²⁷ Roberta recently filed bankruptcy to stop the collection efforts.

Martina S., a cancer survivor, says no one at her local HCA hospital tried to help her, only wanting payment in full. “I had breast cancer and I had surgery. I was charged \$12,000. I was in the hospital 4 to 5 hours. They did not help me with any discount or amnesty program. No one ever called me at home. When I received my first bill I felt terribly, \$12,000... how am I going to pay this! I called the hospital they wanted the payment in full. I wanted to make \$100 payments and they did not agree. I was not offered a discount.”²⁸

Another victim, Monica H., questions HCA’s so-called “discount” policies: “I was charged about \$14,000. The hospital never had me speak to a hospital social worker. I have been sending monthly payments of \$100. I have started receiving letters from a collection agency. I have known that some people have been charged a lot less. Why are they willing to give you a discount only if you pay in full?”²⁹

Negligence Leads to Lawsuit and Attempts to Seize Savings Account

HCA appears to have lost Robert’s paperwork. Even though Robert S. was trying to offer payment plans, HCA ignored his request. “[An HCA representative] called me, the people at the hospital, and I told ... [them I need to] get some kind of assistance, some kind of help and they said, ‘Well...we don’t have your paper work’ and I told them this isn’t right because my wife and I filled it out in the hospital before my surgery and we got all this information together and gave it to you guys. I gave them a copy of you know, every little thing I doand then the next thing I know...they ended up suing me for \$23,000. They never offered me payment plans.”³⁰ After suing and winning judgment, HCA collection attorneys attempted to seize this man’s savings account. He was charged triple the usual amount.

HCA’s Unreasonable “Allowable” Monthly Payments

Dairene O., a young Hispanic woman in Florida, wanted to pay \$50 a month, but her local HCA facility refused. “I got this bill for \$8,947. I have never received a detailed bill. I called and inquired about a payment plan and they said that the lowest monthly payment I would be allowed to make would be \$200 and I earn \$8.50 per hour. \$200 a month would kill me. They only offered to give me a discount if I paid within ten days. I think this is ridiculous. I do not have insurance because I am still on a 90-day probation. I am 21 years old. [They] are charging me this amount without giving me a diagnosis. I could afford a monthly payment of \$50.”³¹

²⁷ Case 218, January 6, 2003.

²⁸ Case 528, March 24, 2003.

²⁹ Case 502, March 22, 2003.

³⁰ Case 215, December 9, 2002.

³¹ Case 420, February 27, 2003.

Maria Z., a housekeeper in the Mile-High City, was also not allowed to make payments she could afford. “I went to the hospital because I had a pain in my stomach. I was in the hospital for about 3 to 4 hours. I was never told what was wrong with me. They said that maybe it was my pancreas or my appendix. I did not have surgery. I was sent home. I have gotten the pain again but I haven’t gone back to the hospital because I am afraid to go back. When I got the bill I could not believe that I was being charged \$6,000 for a few hours that I was in the hospital. They told me to apply for Medicaid but I did not qualify. They did not help me with any other financial assistance. I received calls from the hospital asking for their money. They were asking for \$100 per week. I said that I would be able to pay \$200 per month, and they did not accept my payment plan and now I have been sent to collections. I am a housekeeper [and] earn about \$300 to \$400 per week.”³²

No Assistance, Just a “Crazy” Bill

“I went to Osceola Regional Medical Center because I had stomach pain. I called the ambulance they took me to the hospital; I was in the hospital for about three or four hours. Some X-Rays were taken and I was told that I had a Kidney stone. I was given an injection for pain. I was sent home soon after. I did not get treated for the kidney stone I passed the kidney stone on my own. They looked at my symptoms and told me what was wrong with me. When I opened the bill for \$7,260, I felt like fainting,” says Juan T., an auto mechanic. “That is a lot of money for what was done to me. I did not have any type of surgery. I called the hospital and asked them about the amount and they said that there was no mistake and that was the correct total. They sent me some paper work for financial assistance, I filled them out and sent them back but they have never contacted me. One of my bills has been sent to collections. The hospital has not called me back. I have called them but they said they are waiting for the other people. They have not offered me a payment plan. They are crazy for charging me so much money. I am a truck mechanic. I have insurance now but at that time I did not have insurance. I would like to pay the right amount; I would be willing to make monthly payments.”³³

“Upped the Price” and Hounded this Self-Pay Patient

“I went for weight loss surgery... and they told me that the procedure would be \$11,000 for a three day stay and they knew [my insurance] wouldn’t pay for it,” says Sharon L. of Oklahoma. “So they said I had to pay the money up front. I paid the \$11,000 and then they sent me another bill for another \$1,100 and I paid \$500 of that. So now they want another \$5,000. Because my insurance denied me they will charge me more. I said, ‘Why can’t I get the same price that the insurance company gets?’ They upped the price when they found out I was paying it myself. It was sent to a collection agency and they keep hounding us all the time. They are demanding payment in full and I refuse to pay it because I have the piece of paper that said \$11,000 and I paid it upfront. I’ve been fair and I sent them a little more but I will not keep sending them money. I just want to be treated and get billed the same as the insurance companies. The people who have to pay themselves get messed over. They want to charge me \$5,000 more than the insurance.”³⁴

³² Case 603, March 15, 2003.

³³ Case 417, February 3, 2003.

³⁴ Case 212, May 16, 2003.

Stood Up by Financial Office and Given the Run Around

Mary J. is a housekeeper from Guthrie, Oklahoma. She tried her best to obtain a discount and assistance from HCA, but ended up in collections. “I had talked to them and they knew upfront that I didn’t have insurance. I did not keep that a secret. While I was in the hospital, someone from the financial office called me Friday morning after the procedure had been done so I was pretty groggy. They asked if it would be okay to come up at around 2:00 p.m. to talk with me about what we needed to talk about from the financial office. So I waited and waited and nobody ever came to talk to me. So finally around 4:00 p.m. the hospital began telling me that I had been discharged and that I could go. I explained that I was waiting to speak with somebody from the financial office. They told me not to wait and that they would be in touch with me. I left at around 4:30 p.m. Every time I have called I get a different person to talk to and first they told me to bring in my financial information and they asked for a copy of my tax forms from last year. I am self-employed as a house cleaner. They wanted to know my clients and my income, which does vary and also any outstanding bills that I might have, like a mortgage or car payment. I did what they asked and took that in maybe the next day. I kept copies of everything I took in. They told me that they would take everything into account and that they would be in contact with. Well, nobody ever got back to me at a time I was available to answer the phone so we played phone tag for a while. When I called I found that the initial person who took my information had been called up to the armed forces and the last time I had discussed this with the hospital they were not sure where my information was. They told me that they would find it and then get back to me. I asked to speak with someone in particular and as usual they were not in. It seems like you can never talk to the same person twice. I got very upset because I felt as though I was getting the run around again.”³⁵

Never Told Why

Eric O. in Florida was charged over \$14,000 for a two-day stay when he went to the hospital to be treated for a small stroke. “I did not think it was going to be this high. I almost had another stroke when I received this bill. The hospital harassed me over the phone. I have not been back to work. I do not understand why I am being charged so much money. The hospital gave me a form to apply for medical assistance. They told me I did not qualify but they did not tell me why.”³⁶

Threatened with a Lawsuit

In Orlando, Hector O. was charged \$5,000 for a one-day visit to an HCA hospital. “When I received the bill I went crazy; I got nervous and depressed. We started receiving calls from the hospital and they were threatening us that we were going to be taken to court. I tried explaining that we only receive social security benefits and that we did not get enough to pay this bill. We are sending \$50 monthly payments. Our credit was damaged because we were sent to collections. If we are ever late we start receiving calls from the hospital.”³⁷

³⁵ Case 221, January 6, 2003.

³⁶ Case 423, February 27, 2003.

³⁷ Case 421, February 27, 2003.

Bad Reputation?

HCA's alleged tough treatment of self-pay patients in Oklahoma has led some uninsured people to avoid HCA run facilities. "I had several people ask me later why I hadn't gone to OU Medical Center. Well it had been my understanding that OU Medical Center went broke and had been taken over by a private organization [HCA] and that poor people could no longer go there for treatment. So that is why I didn't try that one,"³⁸ says Mary T.

Lack of Assistance For Low-Income Nanny

Although this Latino nanny did apply for Medicaid, Natividad T. was never directly helped by the hospital. She is extremely low income. "I went to the hospital in February because I had hard time breathing. I was told I had stones in my gall bladder. I did not have surgery. I was in the hospital for about three hours. I went back on March 12th and this is when I had my surgery. When I received the bill for \$14,286.00 I felt very scared. This is too much money and I cannot afford it. I am a single mother of two. I live with my brother. I am a nanny. I earn very little money. I was never offered any medical financial services. The hospital did not try giving me a discount. They just asked me how I was going to pay. I have received phone calls. I think that discrimination exist against uninsured Latinos. Many times we do not understand the language. This was an emergency."³⁹

Spanish Language Bills and Collectors, But No Spanish Language Patient Advocates

It is obvious that HCA has heavily invested in their collection activities by generating Spanish language bills and hiring Spanish-speaking collectors. This case from Denver illustrates the lack of Spanish language advocates who are there to help the patient, not the hospital's revenue department. Ana P. recalls, "I went to the hospital because I had a very bad headache. They really never told me what was wrong with me. When I received the bill I could not believe the amount I was being charged. It is outrageous (over \$24,000 for five days). I did not have surgery done to me. I have never been offered financial assistance. The hospital sent me some bills in Spanish. They have never tried helping me. I tried going to the hospital but they were not able to help me. A collection agency has called me."⁴⁰

Give us Three Months

Luis M., as professional painter in Florida, was told by an HCA representative to wait for three months to see if the bill would be forgiven. "I went to emergency because I had some tumors. They did some tests and I was sent home. I told them that I did not have insurance. I received this bill two days later. I was charged \$6,400 [for an outpatient visit]. I applied for [government] medical assistance but I did not qualify. According to them this was not an emergency. I spoke to [a hospital representative and] he told me to give him three months and

³⁸ Case 216, January 5, 2003.

³⁹ Case 552, April 5, 2003.

⁴⁰ Case 602, March 15, 2003.

see if he could get the hospital to pay this for me. I have never received an itemized statement.”⁴¹

Sent Directly to Collections

Eduardo A. was in an automobile accident in Denver. When he asked the hospital to speak to his attorney so bills could be dealt with, the HCA hospital instead sent Eduardo directly to collections. “I went to Aurora Medical Center and just for the hospital I was charged \$32,000 [for a four day stay]. I tried getting medical financial assistance. I was treated well at the hospital. When I had a car accident and one of my arteries was hurt. I am not complaining about the hospital services, but I am complaining about these high charges. The hospital tried calling to make payment arrangements and I told them to speak to my attorney and they sent me to collections.”⁴²

HCA Hospital Goes Postal on Postal Worker’s Daughter

Abel C., a U.S. Postal worker in Florida, recalls how his daughter’s medical bill tripled . “She was then taken to her room; the day she was being discharged we were given a bill for the amount of \$6,241.75. And then we got a bill for \$18,700 for total charges. When my daughter received this bill she called me and she was in tears. I told her not to worry we will try to talk to the hospital.”⁴³ The family did contact the hospital, but nothing was done to reduce the bill nor did HCA officials attempt to enroll her in a discount program.

HCA “Out of Control”

Carl P. is disputing a major HCA bill in Oklahoma and has collected a slew of letters from lawyers. He was charged almost four times more than what a typical insurance company would pay. “My son went into the...hospital. The purpose was to do a brain mapping to identify the precise nature of his seizures. He had a neurological problem and he had had a dozen seizures during the past twelve months. [The neurologist] did the brain mapping surgery on a Monday and on Friday he removed a tumor. [My son] was discharged the following Monday. So he was there for 7 days. I was shocked when I got this statement from OU Med Center. For that one week the bill was about \$85,000 and that doesn’t include the doctors. I think something is out of control.”⁴⁴

⁴¹ Case 427, February 26, 2003.

⁴² Case 613, March 15, 2003.

⁴³ Case 422, February 27, 2003.

⁴⁴ Case 227, January 29, 2003.

Report on Chicago, Illinois

Working with the Office of Congressman Luis V. Gutierrez, we interviewed almost 50 Hispanic families with bills totaling over \$500,000. Major hospital chains include Resurrection Healthcare, Advocate Healthcare, and MacNeal Health Network. Our investigation in Chicago turned up some significant cases of the consequences of price gouging: wage garnishment, civil lawsuits, property liens, and abusive phone calls and letters. We also found hospitals resist offering affordable and reasonable payment plans to the uninsured.

Sign this Blank Credit Application

Rigoberto G. broke his leg while playing soccer and he went to a hospital where the ER said it was NOT an emergency, gave him some pain killers, and told him he had to find a doctor to do the “elective” procedure. The next day, Rigoberto fell ill from an internal infection caused by the break. At another hospital, he was treated for several days for the infection, but medical staff refused to operate on the “elective” procedure: a badly broken leg. After he got well, he was “readmitted” with a family deposit of \$1,400 and a signed blank credit application, with no amount or monthly payment listed. He was charged over \$25,000 for his infection and broken leg surgery. He had to spend almost a week being treated for an unnecessary infection. “We were never told how much we were exactly going to be billed, but they made us sign a credit agreement. They had me sign a blank check. I think the hospital took advantage of us. Our English is limited. I believe we were given the worst service because we did not have insurance and because we are Hispanic. The hospital made us sign the credit agreement before the surgery. We were never given an exact amount.”⁴⁵

“They are Crooks, Ripping Us Off”

Carlos C. was in the hospital for a week and billed \$74,396. Charged several times more than what an insurance company would pay, this young man was sued and now his wages are being garnished \$300 a month, about 20 to 25 percent of his monthly pay. This case demonstrated how young families who are working class are being robbed of their hard earned wages. If he had been billed usual charges, he could have easily paid this bill off in two years. Now Carlos is stuck paying for over 25 years, with interest. “I had surgery [to remove a cyst] and I was in the hospital for about one week. I was out of work for about two months. I work for Home Depot and I was not insured. The hospital never tried offering any financial assistance. No one ever contacted me. I was eventually sued. My wages are being garnished. About \$300 per month is being garnished. I earn about \$1,500 to \$1,800 per month. I am being charged a total of \$74,000 for a week. If the president of the hospital were here I would tell him or her that they are crooks; they are ripping us off. This situation has been stressful.”⁴⁶

Hospital Never Helped; Just Sued for \$59,000

An auto mechanic spent a month in rehabilitation. Now his family has a \$59,464 lien on the family home. His wife Celia M. remarks, “My husband went to [a rehabilitation hospital]

⁴⁵ Case 905, May 17, 2003

⁴⁶ Case 936, May 6, 2003.

because he had a burn accident. He burned his hands and part of his back. He was in a coma for about one month. He was also at [a acute hospital] first and then he was transferred to [rehabilitation]. He was in the hospital for a total of two months. My husband had insurance through his employer. They paid the medical bills at [the] hospital. [The rehabilitation hospital] never tried working with me regarding my husband's medical bills. They were just interested in finding out how these bills were going to be paid. The hospital never tried helping me; they just sued me. We were charged about \$2,000 per day for his hospital stay. We own this little house. If I were able to speak to the Hispanic public I would tell them that we should be aware of the hospital billing practices."⁴⁷

Never Told of \$10,000 a Day Hospital Bill

Teresa M. discovered an enormous hospital bill on her credit history. "We did not find out about this until we co-signed for my son's home. My husband was in the hospital for one week. My husband is diabetic. This incident happened in 1997 but we were recently billed. A social worker never spoke to me about this bill."⁴⁸ Her husband had an infection on his toe, which was gangrene. By the time they operated on him, the gangrene has spread to most of his lower leg. His leg was almost amputated. For the seven days he was in the hospital, he was charged over \$73,000 about six times what an insurance company would pay. The family was forced to pay \$1,557 in surgeon fees after judgment was entered against them. Paying \$50 a month for 31 months, the family thought the debt was paid in full, never told of accruing interest. Now they are being harassed for more money.

Senior Citizen's Family Pays Heavily

An elderly woman from El Salvador, Martha A., was charged triple the typical insurance payment for treatment of pneumonia. Her daughter and son-in-law helped pay off all her medical bills including the \$15,547 hospital bill. She is still wondering why the hospital did not bill Medicare. She is a permanent resident who has worked a variety of service jobs for over a decade. The incident demonstrates that the hospital should have worked as a patient advocate and billed Medicare. "I went to the hospital because I had pneumonia. I was very sick. I was in the hospital for about eight days. I did not have Medicare. I paid off the doctors. We have paid the \$15,000 and we did not receive a discount. If they had offered a more reasonable total it would have been easier for us to pay this bill. The hospital never offered us financial assistance."⁴⁹

As Shoemaker Pays, Hospital Collectors Harass for More Money

This father of three, Juan L., went to the hospital because of the pain in his ribcage area. "They did not find anything. When I got out of the hospital the pain had subsided. I was charged \$2,600. The hospital never spoke to me about financial assistance. I started paying \$10 [a

⁴⁷ Case 931, May 5, 2003.

⁴⁸ Case 934, May 5, 2003.

⁴⁹ Case 918, May 20, 2003.

month]. I am still paying this bill. The hospital has bothered me twice. They have threatened to send me to collections. I earn \$250 per week. I was charged too much.”⁵⁰

Bombarded by Letters from Lawyers

Martha A. wept profusely when talking about her \$9,060 for the treatment of carpal tunnel syndrome. She feels she was discriminated against. Martha was sued and a judgment was entered against her. She is currently on disability and believes the judgment has caused her undue stress, with collectors constantly calling her and sending notices in the mail. “I do not know how I am going to pay for this. I went to the hospital to try to make payment arrangements. I have been receiving bills and letters from the hospital’s attorneys. A social worker never spoke to me. I was just sent to collections. It is very uncomfortable to have these high bills.”⁵¹

Widow Sued for Late Husband’s Medical Bill

Sued for \$18,176, almost four times more than what an insurance company would have paid, Julia P. accuses the hospital of charging for services not rendered. “My husband went to the hospital in 2000. He was in the hospital for three days. He had been drinking. He was ‘detoxed.’ The HMO did not pay ... because he was labeled as a mental health patient. I called the hospital and spoke to them about being billed for intensive care. He was never in intensive care. The collectors sent me lots of bills. I think this is ridiculous...[My] husband passed away [last year].”⁵²

Sued in 2003 for a Bill from 1994

Here is a case where we were the messengers of bad news. This professional painter, Alfredo V., was sued for \$10,744 for an appendectomy. He had no idea. He indeed did have an appendectomy —almost a decade ago! That’s right: the hospital is suing a man for a bill from 1994. They never sent him a bill, a past due notice, or demand for payment. “We have never received any bills. I have never had any problems. [The hospital] should play closer attention to their billing practices.”⁵³

High Salary at Taco Bell Disqualifies Patient for Assistance

Lucia M, a young lady, severely injured her ankle. She and her husband work at Taco Bell, where they earn a little above the minimum wage. “I went to the hospital because my foot was hurting. I was walking and I slipped. I broke my ankle. I was charged about \$7,000. I was told that we did not qualify for financial assistance because we earned too much money. We both used to work at Taco Bell. The hospital said that I would have to pay \$300 monthly. I started making payments, but eventually I was not able to make payments. I contacted the hospital and

⁵⁰ Case 928, May 21, 2003.

⁵¹ Case 932, May 6, 2003.

⁵² Case 935, May 6, 2003.

⁵³ Case 930, May 4, 2003.

tried explaining my situation. They said that I would have to pay \$200 monthly. I think that I am being charged too much money.”⁵⁴

Hospital Demands Bill Be Paid in Three Months

Emilio P. is diagnosed with kidney stones and billed over \$3,700. “We called the hospital after we received the bill. We tried asking for medical financial assistance. We were told that this had to be paid within three months. I work at McDonald’s. My husband plays in a Mariachi band. We want to pay this bill, but we are not able to pay it within three months.”⁵⁵ The hospital expected monthly payments greater than \$1,200.

Upset Stomach Leads to \$10,000 Lawsuit by Hospital

An auto mechanic, Rafael O., was admitted into the hospital for three days and billed over \$10,000. Currently, he is being sued by the hospital. Rafael is outraged that he was charged so much for a bad case of “gastritis” or stomach flu. “I went to [the hospital] because I had stomach pain. They never diagnosed my situation. I was just given tests, ultrasound, x-rays. They thought that maybe I had a stomach infection. I do not have medical insurance. I applied for Medicaid but I never received it. I started receiving bills. The hospital never notified me that I had not qualified. I was sued. I did not know I was being sued.”⁵⁶

Double Billed?

A diabetic, Felipe G., delivers newspapers for a living and is charged almost \$5,000 for a 12-hour visit to the hospital. “I went to the hospital because I was vomiting blood. They wanted to keep me longer and I asked them to discharge me. I am diabetic. I was fine when I left the hospital. The hospital never offered me medical assistance. They called me and asked for their money. I see a lot of double charges in these bills. I told the hospital and they said they would check these bills.”⁵⁷ It turns out he was not vomiting blood; he had drunk some red liquids earlier that day.

Collectors Pressure Couple to Pay \$12,000 on Old Bill

Although this is an older case (the hospital has since closed), it shows what happens when so many honest working Hispanics are pressured into paying these outrageous bills. Maria F. had a hysterectomy. They submitted the proper insurance documentation. Almost three years after the hospital visit, Maria and her husband were informed by a collection agency that they owed \$24,182, almost triple the usual insurance payment, to a now defunct hospital. With threats of lawsuits, they took a loan on the family home and settled the account for \$12,000. They are now paying this bill in their monthly mortgage payment. “We presented our medical insurance card to the hospital and they said it was all fine. [The collection agency] contacted us three years

⁵⁴ Case 916, May 20, 2003.

⁵⁵ Case 915, May 18, 2003.

⁵⁶ Case 907, May 18, 2003.

⁵⁷ Case 910, May 18, 2003.

later and told us that we owed. I took a loan against my home and paid this bill. We were only given 10 days to pay this bill in full.”⁵⁸.

Pay \$17,000 in Two Convenient Installments!

A hospital is suing Vicente M. for about \$17,000 for an appendectomy. “I went to the hospital because I had stomach pain. I was in the hospital for less than a day. I was admitted in the morning and released that same afternoon. I was treated well at the hospital. But they never offered me medical financial assistance. I tried explaining to the hospital personnel that I was uninsured and that I was of low-income. They did not want to listen to me. I tried making payment arrangements and they said that I would have to pay the balance due in full. I was given two months to pay this bill. I was sent to collections. They also called me at work. I am a cook and I earn about \$16,000 per year. They are asking me to pay more than what I earn.”⁵⁹

⁵⁸ Case 911, May 18, 2003.

⁵⁹ Case 914, May 18, 2003.

Report on Denver, Colorado

Our investigation in Denver was done in conjunction with the Colorado Consumer Health Initiative. We collected bills totaling more than \$630,000. Below are stories from Centura Health chain and six other Denver area hospitals. HealthOne, another major Denver hospital chain, is part of the HCA family, and those testimonies are included in our “Report on HCA.”(Page 7)

Egregious Hospital Behavior

Like other parts of the country, we saw the same resistance to payment plans in Denver. Juan E. states, “When I received the bills I spoke to the hospital but they did not offer us a payment plan. They wanted the full payment. I have many letters that the hospital has sent us.”⁶⁰

Likewise, we found many uninsured families who were never helped. Jesus V. says, “I was never offered Medicaid or any other financial services. I wasn’t even given a prescription. I have been receiving letters from the hospital. I am still feeling sick. I do not think they cured me.”⁶¹

Marcos M. was neither helped nor offered a payment plan: “A social worker was never sent to help me. I went to the hospital to try to make payment arrangements; they were not able to help me the day I was there.”⁶²

Hospital Collectors Go After Wrong Man: “Charged for a Surgery I Never Had”

A welder has been a victim of identity theft and now the hospital wants him to pay a huge debt. Enrique R. says, “I never went to this hospital. I am being charged for a surgery that I never had. I am being charged \$29,000 and this has damaged my credit. I tried buying a home but I wasn’t able to purchase it because my credit has been ruined. I have never been to that hospital. [The hospital] should be more careful in their billing practices. This is psychological damage that is being done. When we went to the collection agency we got the run around. They say that the manager is not in. We have tried numerous times.”⁶³

80 year-old Grandmother Sued; Collectors Knock on Her Door

H.M., a retiree living in Colorado, recalls, “I had gallstones. I did not know much about the U.S. I am from Germany. I went to the hospital and they charged me \$21,000. My gallstones were removed. I was in the hospital for 4 days. The hospital did not try to help me with my medical bills. My account was sent to collections. The hospital never tried to help me out. The hospital never sent a social worker to help me. I called the hospital and tried explaining that my income comes from overseas, and they ignored me or maybe they did not understand me. I have

⁶⁰ Case 601, March 15, 2003.

⁶¹ Case 626, March 19, 2003.

⁶² Case 627, March 19, 2003.

⁶³ Case 622, March 18, 2003.

insurance in France and I had paid a supplement for the U.S. I have gone through hell. They have come to my home to try to collect their money.”⁶⁴

Enormous Bill and Lack of Help Forces Wife to Operate on Husband

Jesus P. has a serious and recurring condition. “My husband ... was charged \$11,320. He went to the hospital because ten years ago he had hemorrhoid surgery but he often suffered from recurring infections. He was in the hospital for three to four days. We were told we could not apply for [a] discount. They are charging us too much and we earn about \$15,000 per year. The hospital has not helped me because they say we do not qualify for assistance. We have sent one payment of \$50.00. We are willing to pay but we would like to receive a discount. My husband is still sick. I called the hospital and they said to take him back but we would be charged again. I did not take him back. I operated him myself here at home.”⁶⁵ The procedure is draining the infection with a hot needle.

Payment in Full Demanded for “Surprise” Bill

Saul R., a professional painter, thought he had paid his hospital bill until he was contacted by a collection agency. “I broke my arm. I was seen right away. I was initially charged \$800 and \$120. I am not sure what I was charged for. I made payment arrangements, [and] I was paying monthly. I thought that was going to be my total charges. [About a year later,] I received a letter from a collection agency that I had to pay \$15,101.81. I called this collection office and they asked me why I had never paid this bill. I explained that I had never received this bill. I tried making payment arrangements and they declined my offer and said that I had to pay the full balance. Before receiving this bill I had never received a phone and I did not receive a letter from the hospital or the collection agency. [The hospital is] very unjust. They are charging me a lot of money. I was only in the hospital for one day. They did not offer me any type of discounts.”⁶⁶

Five Stitches for \$5,500; Medicaid Applications Lost

This is another example of price gouging. Gabriela R. reports, “I took my son ...to the hospital because he had smashed one of his fingers with the door. His fingernail was hurt. He was in emergency for about 2 hours and 45 minutes in emergency. He was not given x-rays, or anything else. Before taking him to emergency we had taken him to a local clinic and they sent to emergency. At emergency they cleaned him up and pulled off his nail. He was given five stitches on his finger. On Sunday and Wednesday we took him to be checked and on Friday his stitches were removed. We were charged...a total of \$7,500. The hospital charges were \$5,500. A social worker never contacted me. We had applied for Medicaid, but our applications were lost. I still owe the hospital \$4,788 because the hospital gave me a break on the other balances. My husband works for a lumber company and I am a maintenance worker. Our yearly income is about \$14,000.”⁶⁷

⁶⁴ Case 604, March 15, 2003.

⁶⁵ Case 606, March 15, 2003.

⁶⁶ Case 625, March 18, 2003.

⁶⁷ Case 623, March 18, 2003.

Hospital Expects Payment in Full

Norma T. told us the following: “I had appendix surgery. I was in the hospital for four days. I was treated very well in the hospital. A social worker never spoke to me. I do not have medical insurance and I was never offered Medicaid. I was charged \$17,161. When I opened the bill I was very surprised. I went to the hospital to try to take care of this matter. They told me that I would have to obtain a letter from my employer that stated I was not able to work after my surgery. My employer was not willing to help me. I was unemployed for fifteen days after my surgery. I work at a restaurant and I am a waitress. A collection agency has been calling me. I am not able to pay this amount in full [but] I am willing to make small payments. I did not know how much this surgery was going to cost. I was told I have to pay the amount in full. My monthly income is about \$1,400.”⁶⁸

Collection Agency to Uninsured: Get a Job at McDonald’s So You Can Pay Us.

Rudy L. states, “The hospital offered me a payment plan, but the payments I was making were too high. The collection company has called and they have been very persistent and aggressive. The collection agency also told me that maybe I should go work at McDonald’s; they said I had to get a job to pay them.”⁶⁹

Medical Center Gobbles Up Automobile Insurance Money

A Latino man who had major hip and leg surgery after a severe auto accident, now cannot obtain the physical therapy he needs because the hospital exhausted the automobile insurance coverage. Roberto R. never saw a bill, never knew about the coverage. “I went to [the] hospital because we had an automobile accident. I was in the car with three other friends. Two of my friends passed away. I hurt my left leg. I did not have medical insurance. I was in the hospital for about 10 to 12 days. A social worker came in and told me that I had to recuperate because I would not have money to pay. They never offered me any medical financial assistance. The social worker was a little aggressive. The hospital called and they told me that I had reached the limit (\$100,000) that the automobile insurance covered. I think that the hospital took advantage of this situation. They did not take care of me correctly. I never spoke to Allstate Insurance. Mentally I do not feel well. I want to work. I have to work so that I can survive financially. The hospital called and tried collecting an additional \$1,200.00. They said that my credit would be ruined if I did not pay this money.”⁷⁰

Charged the Excessively High Fare

Adrian L. works hard delivering tortillas. In one of the few cases we found in which an uninsured was actually offered a charity care option (he did not qualify), our victim was eventually stuck with the entire bill. “I was playing soccer. I started feeling sick. An ambulance

⁶⁸ Case 608, March 19, 2003.

⁶⁹ Case 609, March 15, 2003.

⁷⁰ Case 619, March 18, 2003.

came and took me to the hospital. According to the hospital I had had a minor heart attack. I was in the hospital for about six days. I was charged [about] \$66,000. I never applied for Medicaid. The hospital had me apply for an amnesty program but according to the hospital, I did not qualify because I earn too much money. I am being charged more because I do not have medical insurance. I am being charged about \$11,000 per day.”⁷¹

Pay, Pay, Pay

Billed over \$23,000 for gallbladder surgery, this case exemplifies the high payments expected from ruthless collectors. Enrique T. says, “I went to make payment arrangements and they gave me a payment plan of \$350 per month. I started paying but it soon became very difficult to continue making these payments. I clean restaurants at night. The hospital never offered me Medicaid or a discount.”⁷²

Dictating what they want, hospitals do not appear to listen to patients. Another high payment testimony, Miguel R. injured himself at work and had a collapsed lung. His outrageously high hospital bills came out to \$30,000. “We applied for Medicaid but we did not qualify. We went to the hospital and tried to make payment arrangements but they said that we would have to pay \$500 per month. We were not able to afford this. We were hoping to make \$100 payments. They did not accept what we offered. I would say that if they are aware that people do not have insurance they should try to work with the patients.”⁷³

Another victim, Roberto M., whose son had suffered from a breathing difficulty, was fortunate and is able to pay what he can afford: “The total for this hospital stay was \$10,000—just for hospital. I think this is very high. I have never been offered any type of assistance. I started making payments of \$100; my balance today is \$7,837.”⁷⁴

No Itemized Statement, No Assistance

“My five-year-old daughter ... went to the hospital because she had a bad cough. I took her to Saint Anthony’s and she was in the hospital for about two hours. Once she vomited she felt better. Saint Anthony’s charged me \$1,900 for the emergency. I was told she did not qualify for any medical assistance. The hospital did not try helping me. I was told I would have to pay \$200 monthly to Saint Anthony’s. [I would like to be given] a discount or a lower payment plan. My husband is a construction worker. I am a cook at Wendy’s. I asked Saint Anthony’s to send me an itemized statement and they told me they were not able to,”⁷⁵ reports Sandra A.

⁷¹ Case 618, March 18, 2003.

⁷² Case 610, March 15, 2003.

⁷³ Case 617, March 18, 2003.

⁷⁴ Case 632, March 19, 2003.

⁷⁵ Case 620, March 18, 2003.

Report on Oklahoma City, Oklahoma

We collected approximately \$1.6 million in medical bills in the Sooner State. Major operators include Integris Health Network and Mercy Health. HCA does operate several hospitals, including OU Medical Center, and those testimonies are including in our “Report on HCA.”(Page 7)

Hospital Garnishes Savings Account

Claudia H. from Wetherford saw her savings evaporate. “The original bill was \$19,819.59, recently when I checked the amount was about \$21, 252.52. They garnished my bank account for \$2,553.88 that was everything we had in our savings. When they garnished our bank account it impacted us. We had to pay about \$500 extra to cover our checks we had written. It threw us way behind. We have to pay \$200 every month. I think this process is not correct.”⁷⁶

Enormous Hospital Bill Kills the American Dream: Owning Your Own Home

A mother on the verge of retirement had a stroke and was charged \$50,000. A lifelong cook, Rosa A. is low-income. “I went to [the hospital] two years ago. I had a stroke. I was in the hospital for ten days. I was under observation. No social worker ever contacted me and no one from their financial office contacted me. I would like [the hospital] to help me clean up my credit. I think that the uninsured are charged a lot more than the insured. I tried purchasing a home and I was not able to because my credit had been ruined. I also tried getting a Sears credit card and I was denied. I earn about \$9,000 to \$10,000 per year.”⁷⁷

Price Gouged Victims Stunned by Lack of Payment Options and Run Around

Clement R., who paints trucks for a living, gives this insight: “I tried to make payment arrangements but I can’t talk to anybody. Nobody [at the hospital] will talk to you. You have to write them a letter. Here is a copy of a letter I wrote to them. It is a grievance letter to where they will review the charges you were charged to see if you were over charged. Naturally, they said that I was not overcharged.”⁷⁸

Rob E., a schoolteacher, tells of his difficult dealings: “We’re paying \$50 dollars a month, and asked them if there’s any way they can take part of the bill off. And they’re in the process of looking right now, but this has been about six months. We’ve kind of gotten the run around from them about that, we’ve taken them copies of our bills, and they’ve asked us for letters from DHS, for denial letters, things like that. We’ve been paying \$50 a month, in turn, we got a letter from the collection agency ... They never even billed us for it; they just sent it straight to a collection agency.”⁷⁹

⁷⁶ Case 236, February 19, 2003.

⁷⁷ Case 516, March 23, 2003.

⁷⁸ Case 230, January 29, 2003.

⁷⁹ Case 242, February 20, 2003.

A mixed message for Eric B.: “They said that they had financial aid and that they would try to work with me and I thought that was great. Three days later I get a letter from collections.”⁸⁰

This Latino couple recall the horror of facing such a large bill with little help. “I had stomach pain. I had appendix surgery. My appendix did not rupture. The hospital never spoke to me about any financial assistance programs.” Alicia’s husband adds, “I earn \$365 per week; I earn about \$15,000 per year. And I have a bill that is more than my yearly salary. I think I am being overcharged. It is too much for about a three-day hospital stay. We do not have medical insurance. I want to pay but I would want to pay a fair amount.”⁸¹

Collection Agency Tells Price Gouging Victim to Sell His Home

Camelia C. reports: “My husband went to the hospital because he was shot and assaulted. He was shot on his chest and arm. He was in the hospital for about a week and a half or two weeks, I really do not remember. He was charged \$40,000. We have not been able to make payments. This happened in 1999 and a collection company started calling us in 2001. We have a small car dealership. This was an accident. We want to pay but we do not have all this money. They want us to pay \$19,000. The man that has been calling us has suggested that we sell our home to pay this. We think we are being abused by this collection agency. They think we have money.”⁸²

Direct to Collections and a Charity Care Run Around

“We received a bill from the collection agency about a month and half after the procedure was done. We filled out their paperwork for the charity care, and we got the run around at the hospital on it, [but] finally got that paperwork turned in,” says Rob E. “And six weeks later, we received another letter from them saying we needed to send them a copy of our water bill, saying that we had ten days to turn that back over to them. So we sent copies of the water bill out then, and haven’t heard anything back. . . . They need to simplify their billing, and make sure it’s done promptly, not three months after the fact. Before they send stuff to the collection agency, they need to make an attempt to contact the people with the bills. We felt the way we were handled was that they were going to transfer it to a collection agency to take us to court, and collect on it because we never received a bill until the collection agency had already been contacted.”⁸³

Leaving Four or Five Messages a Day, Hospital Collectors Suggests Bank Loan

Christine R, a receptionist, recalls her struggle with collectors: “I was [at the hospital] for approximately seven days. I went to the hospital for gallbladder surgery and pancreatitis. For my gallbladder they did the arthroscopy surgery and removed it. For my pancreatitis, they gave me antibiotics. When I came home and opened the envelope I could not believe how much I was being charged. I had all these bills coming in. Knowing that I am uninsured, I believe that

⁸⁰ Case 234, January 30, 2003.

⁸¹ Case 545, April 5, 2003.

⁸² Case 546, April 5, 2003.

⁸³ Case 242, February 20, 2003.

the uninsured are being discriminated against. While at the hospital I never had a financial counselor come and see me. No one approached me. The nurse gave me a credit application. And I was turned down. The interest was like 8 percent.. They wanted me to pay the full amount with no discount. They declined to give any kind of assistance. They started calling me constantly, four or five messages a day asking for their payment. Suddenly I received this from collections. They wanted full payment. They suggested we borrow money from a bank.” Her husband adds, “They have been very rude. We want to pay our bills, as long as they are fair and reasonable and obviously they were not fair and reasonable. She was charged \$4,000 per day. If the president of [the hospital] were here I would tell him that he should be ashamed of himself. He is ##### the hard working common man [and] all they want to do is get through life and make sure their bills are paid, to have honesty, integrity and live with some pride.”⁸⁴

Lien on the Home, Threats of Garnishment

Debbie M. from Bradley is now faced with threats of garnishment after a hospital’s agents placed a lien on her home: “They called me, and the people were very harassing, and I went back to the hospital and talked to the people at the hospital about the bill, and they gave me this printout so I would know exactly what they had been charging me. But they had already sent it to an agency, and that agency sent a thing through the court, and the person that delivered the paper said all I needed to do was write a response. So I wrote a response and took it up to the courthouse, and after that I wasn’t called to go back to the court or anything. They put a lien upon my house. She told me that I needed to go down and borrow money and pay them off cash, because she was charging me 21 percent compound interest. But that ruined my credit so there was no way I could borrow money, with that on my credit. So I see every once in a while, that when I come home in the evening, that that company still calls. She actually still calls me, to tell me that they were going to start garnishing my paychecks. She threatened to do that. But they had already done the lien, so they were still threatening, but I haven’t received anything from them in writing.”⁸⁵

Hospital Offers Monthly Payment Plan of \$3,000 a Month

“I went to the hospital to have appendix surgery. I was charged \$14,000. I do not have insurance. I do not work. My husband has a small pawnshop. I was on the hospital for one day. When I opened this bill I was shocked and upset. I was extremely upset that I was charged \$14,000. I thought I was going to be charged \$6,000 to \$7,000 maximum. The hospital never sent a social worker to speak to me. No one ever called me,” says Mandy C. “I had to call them. I spoke to the hospital about getting financial assistance and they said I did not qualify because I own too many cars and because I own a piece of land. They also did not want to give me a discount. If I paid it [in less than] six months I would receive a discount. I would have been paying \$3,000 per month. I cannot afford \$3,000 per month. I think it is very unfair that if you do not have insurance you are charged a lot. I think I am being discriminated. If I could talk to lawmakers I would tell them that they need to oversee the hospital and what they charge. They do not oversee the hospitals. They need to set standards.”⁸⁶

⁸⁴ Case 530, March 25, 2003.

⁸⁵ Case 241, February 20, 2003.

⁸⁶ Case 504, March 22, 2003.

Couple Pressured to Pay \$10,000 in Ten Days

Monica G. recalls: “I went to the hospital because I was short of breath. I had an asthma attack. The first time I went to emergency I was there for less than one day. The second time I went to emergency I was there three days and the third time I was in the hospital for five days. These two bills are for the last two times I was in the hospital. I was in the hospital for a total of eight days and they are charging me \$20,000. I had no surgery. I was given three X-Rays. My health is better now. The nurses all treated me well. Before leaving the hospital a social worker spoke to me and I told the social worker that I did not have insurance. They had me fill out some papers but they never said anything to me. When I received these bills I was not able to believe how much I was being charged. We know that we have to pay, but these bills are too high. They offered us a payment plan but it is too high. They have asked us to pay \$10,000 within ten days. But we are not able to pay this amount. We earn about \$20,000 per year. We want to pay but we would like to reach an agreement with the hospital.”⁸⁷

Hospital Collection Agency Returns \$3,000 Check

“I paid all my bills like the doctor and everything but when I got the bill from the hospital I was amazed. (over \$6,000) I had heard about how the hospitals overcharged and I was upset because I think I had been overcharged,” says Brian P., an attorney. “I have not paid it yet. Someone called me from the hospital and I told them I wanted to get a discount. I was then called by the collection agency and offered to pay half of the bill. So I mailed them a check and they said they would accept it but then they sent the check back and said that they wanted 80 percent. I was in the hospital for one night. I don’t know why they put this kind of burden on individuals who don’t have insurance. This is ridiculous. I didn’t have any clue it was like this and I don’t think it is right. I feel like I have been taken advantage of.”⁸⁸

Patient Successfully Applies for Charity Care on Her Own

Belen V. shows courage as a hospital fails to help financially. “We were in a car accident and we were taken to the hospital. I was in the hospital for two weeks. We applied for Medicaid but we never heard from them. We also applied for Charity Care. They paid all my hospital bills. We earn about \$15,000 per year. I had to make contact with all these programs. No one came to me. I believe that all this was not fair because the people that hit us had no auto insurance. I think that the hospitals should better inform their patients. A friend told me about these programs.”⁸⁹

Billing Problems Expose Possible Fraud

Al M. consulted his daughter who is studying to be a nurse. “Looking at some of the other charges on the bill, they made absolutely no sense to me. They would charge me three or four times for one thing. They would back some of it out but... I don’t know if I was reading it

⁸⁷ Case 534, March 26, 2003

⁸⁸ Case 210, May 16, 2003.

⁸⁹ Case 514, March 22, 2003.

wrong but it made no sense to me. I think they put two stints in me. They billed me for four but then they deducted two. My daughter is in her last year of nursing school. She was surprised with some things on the bill. She said that one of the sedations they billed me for was wrong. She said: ‘You couldn’t have done this!’ It was like some kind of ‘awake sedation.’ She said, ‘They didn’t do this!’ They gave me a local when they put the thing in. It was for when they did the angiogram. She said: ‘They gave you a local’ because I was awake for the whole thing. She didn’t understand why I was being charged for certain things that they couldn’t have done because I was awake. She said, ‘I can’t see where they gave you that, yet you were charged for it.’ I talked to the doctor through the whole thing.”⁹⁰

Another victim’s relative states: “What I understand is that the Valley View emergency room stabilized her and then they sent her to Oklahoma City. Valley View’s emergency room bill is around \$10,000. They stabilized her in the ambulance at Valley View but she never actually went in the hospital.”⁹¹

No Opportunity to Pick a Hospital that Charges Less

Santiago T. explains his difficulties. “I was feeling very badly. My [blood] pressure was very high. I stayed in the hospital for two days. A social worker came to see me and a week later I was notified that I did not qualify [for Medicaid]. I was never given a discount. The hospital never offered me any other program. I was sent to collections and I was being sent bills. When I went to the hospital I did not have the option to pick a hospital that would have charged me less; this was an emergency. I want to pay this bill. I could have lied to the hospital and given them false personal information.”⁹²

Justify Your Charges

Finally, A.R., who is disputing his \$37,000 bill makes a challenge: “If the president of Midwest City Regional Hospital was sitting right here, I would have him go through this itemized bill that I have, and I would have him tell me how he can justify this. I know what some of this stuff costs in retail, I know they don’t pay retail, and I believe....what they got to charge us for is way above the reasonable and fair price.”⁹³

⁹⁰ Case 225, January 25, 2003.

⁹¹ Case 223, January 7, 2003.

⁹² Case 538, April 5, 2003.

⁹³ Case 240, February 20, 2003.

Report on Orlando, Florida

We went to Orlando because it is a market dominated by two large non-profits: Adventist and Orlando Regional Healthcare. However, we were surprised when over a quarter of our testimonies were about HCA hospitals on the outskirts of Orlando. Those testimonies are included in our “Report on HCA.” (Page 7) We collected over \$550,000 in medical bills.

Hospital Wants Almost Half a Housekeeper’s Monthly Income

A housekeeper from Altamonte Springs, Lucia F. reports: “I was charged \$10,000. I did not think it was going to be this high. I went to the hospital because I was desperate, I was afraid I was going to have a stroke or a heart attack. After receiving these bills I went to the hospital to speak to them and I was told that if I paid this bill in full within ten days I would receive a 40 percent discount; and if I paid in twenty days I would get a 20 percent discount. I am not able to pay this amount within this time and I don’t think that it is fair that I have to pay so much. ...It is fair [for the hospitals] to charge for their services but they should be charging just amounts. And they should not be asking patients to pay large sums of money (payments). The hospital is asking me to pay \$700 per month, and I can’t afford to pay this amount I earn \$1,500 per month.”⁹⁴

Egregious Collection Tactics Against the Uninsured

The husband of a diabetic woman, Lucy B., who was billed over \$11,000 for a brief hospital stay, observes: “I believe that the hospital is being unfair to the poor because if you have the full amount or you are able to pay the bill in full you will receive a 40 percent discount and if you can not pay the full amount, you have to make payments on what you owe and 19 percent interest is added to the balance.”⁹⁵

The mother of a 15-year old girl who was injured in an auto accident and billed over \$16,000 recalls: “The hospital went after us as if they were a credit card company. We actually had to get caller ID so that we could avoid their calls. The collectors were very, very nasty.”⁹⁶

Uninsured Patient Hoodwinked into \$8,000 Hospital Bill

Ernie K, a father of two beautiful children, recalls: “I went to emergency complaining of fatigue, dizziness. I spent about 12 hours in emergency. The doctor kept referring to my chest pain; I told him that I did not have chest pain. I was told I would be given a stress test. At that point I told the doctor that I was uninsured and I asked him how much this procedure would cost and he said I would be paying \$600. I said go ahead with the procedure. I was admitted and I was kept overnight. I was released and received a bill that is now over \$8,000. When I got this \$8,000 bill, I laughed. A financial officer suggested I speak to the hospital’s risk management

⁹⁴ Case 411, February 26, 2003.

⁹⁵ Case 414, February 26, 2003.

⁹⁶ Case 401, January 11, 2003.

department. I called but I have not heard from them. I am uninsured because I am an independent contractor. In my opinion I was misled and deceived.”⁹⁷

Are They Asking Me to Give Up My Home?

“I am an air conditioning technician,” says Octavio R. “I was trying to secure a ladder as I was securing the ladder, it collapsed; I fell, shattered my elbow, and sprained my hand. Paramedics and the Fire Department responded. I was taken to the hospital by ambulance. I was admitted to the hospital and they said I would have to have surgery. I was in the hospital for about 3 days. I was charged about \$10,000 per day. My payment due date is March 14th and I have to pay \$35,000. I won’t have the payment. I haven’t spoken to the hospital yet. I hurt myself on February 7th. When I opened the envelope I was so surprised that I no longer had any elbow pain! Where was the champagne? I could have been at the Hilton; I could have paid half a year at the Hilton, with first class room service, 24 hours. And it would still not add up to \$35,000. The way I look at it, I will try to make arrangements, they can’t take me to jail for not being able to pay. I own my home. I am completely shocked; I understand that we have to pay our bills. I also understand that if you do not have insurance you are going to pay a higher price. What are they doing? Are they asking me to give up my home? I am not about to sell my home; I am not going to panic.”⁹⁸

“Atrocious” Billing Process Ends Trust Between Patient and Hospital

This substitute teacher, Raquel B., had a small lump on her breast. Worried about it, she had to have biopsy done. “Before going to the hospital I had spoken to a financial counselor and she said that this procedure would cost me \$300 and I said. ‘I can handle that.’ Once I was there they felt that they needed to use a new machine.” This woman was then charged over \$2,600, almost nine times the original amount. “I told the hospital that this was ridiculous. I spoke to a financial counselor, and she referred me to Avon Charity and they paid \$700. [On the balance] I agreed to pay \$50 monthly payments. I then started getting billed for the same procedure all over again. I feel that I have been billed twice for the same procedure. My opinion about this billing experience that this is atrocious and that I do not trust them. I really wonder if they did could have done the simple biopsy and not use that big machine. I feel that maybe they just used that machine to find a use for it.”⁹⁹

Medical Center Tells Uninsured Patient: Get a Loan

Miriam H, the single mother of a young boy, says, “I was in the hospital for two and a half days and I was charged \$19,000 to have my appendix removed. I was not expecting to pay this much. When I saw the bill I immediately said that they were crazy. People often die because they do not want to have high medical bills. Yes we are grateful that are life is saved but we should not be charged so much money. I was never offered medical assistance. I went and applied for Medicaid but I was denied. I called the hospital and tried making payment arrangements. I offered to pay \$25 per month because at the time I was not working. I

⁹⁷ Case 404, February 10, 2003.

⁹⁸ Case 419, February 26, 2003.

⁹⁹ Case 428, February 26, 2003.

explained my situation to them but they still did not accept my payment arrangement. They wanted me to go get a loan and I told them that I would not be approved for a loan without a job.”¹⁰⁰

Hospitals “Expect Us to Pay What They Say and Not What We Are Able to Pay”

Evelyn O. states: “My mother is 71 years old. My mother felt short of breath. She complained that she was not able to breath. An ambulance came and took her to the hospital. She was diagnosed with pneumonia and very high blood pressure. She was in the hospital for two days. I received the bill about two weeks and a half later. When I opened the bill I said, ‘Wow \$15,000!’ I could not believe this. The hospital never helped us with financial assistance. We want to pay but if we try making payment arrangements they expect us to pay what they say and not what we are able to pay.”¹⁰¹

Hospital’s Only “Creative Idea:” Send the \$116,000 Bill to Collections

The wife of a roofing contractor recalls her ordeal with a hospital. Her husband was severely ill after having a heart attack. Diane J. tells us: “I get this thing saying that we did not qualify for any kind of charity help. At this point I am on unemployment. I spoke to the guy and he said, I’m almost quoting him, he said, ‘Give me a couple of weeks and I’ll get back to you. I will come up with some creative ideas.’ I heard nothing. I got no bills, no calls, I had no contact from them whatsoever. I honestly thought they had written it off. I heard nothing. Then he sends me this [a letter demanding payment] and he said don’t worry about it, that it is computer generated and he said, ‘We’ll still work with you. Just send me the financial forms.’ And by that time I was working. The next thing I got was a letter from [the collection agency]. I was absolutely stunned! I went to the hospital. I said I don’t understand this. They said they would work it out with me. Nobody called me and they said that the collection agency can work with me more than they could.”¹⁰²

Hospitals Fail to Provide Patients with Financial Assistance

“My brother went to the hospital because his blood pressure was very high. He was here on vacation. He was in the hospital for four days. He had a lot of exams done. When we received the bill for \$21,000, we were very surprised; my brother’s blood pressure rose when he saw the bill. It is a little difficult for us to make this payment. The hospital has offered financial assistance, but they said they were going to investigate this matter but they have not contacted us anymore.”¹⁰³

Luis C. recalls: “I went to the hospital and asked why this bill was so high and they never gave me an itemized statement. They offered me a discount plan, but I needed to gather some documents. I sent them all the documents and I have never received a discount. I would be able to take a vacation on an island with the money [they charged me].”¹⁰⁴

¹⁰⁰ Case 410, March 3, 2003.

¹⁰¹ Case 434, February 20, 2003.

¹⁰² Case 429, February 28, 2003.

¹⁰³ Case 436, March 3, 2003.

¹⁰⁴ Case 439, March 3, 2003.

Jose E. had gone to the hospital for chest pain: “I was treated well at the hospital. When I received the bill I called the hospital and asked for financial assistance, they sent me a form that I was to fill out and return. I filled out the form and returned it. About a month later I started receiving letters from a collection agency. I called the hospital again and asked for help once again. I told them that I had earned below the poverty level and they said that they could not help me.”¹⁰⁵

Finally, Olga L., the wife of a bus driver, receives an enormous one-day bill and no help: “I went to the hospital because my blood pressure was very high. I was in the hospital for about a day. They did several tests and said that everything was fine. I received this bill for \$9,000. They have never tried helping me. They have never offered me a discount. I have been sent to collections.”¹⁰⁶

A Kidney Stone, Not a Diamond

“My wife went to the hospital because she had severe back pain,” says Julio P. “She was at our child’s high school car wash. An ambulance was called and she was taken to [the hospital].. When I spoke to the doctor he told me that she had kidney stones. The stones were not removed. She was given an injection, was told to drink lots of liquids. On that same day I made a payment of \$600 with my credit card, this was given as a down payment. When I received this bill for almost \$5,000. I said this was only a kidney stone and not a diamond.”¹⁰⁷

Deposit \$3,300 and then Hospital will Help Patient with Payment Plan

“I gave birth to twins and I was charged \$15,000. I was in the hospital for five days. I applied for Medicaid but I did not qualify. No one in the hospital ever tried helping me with financial assistance. I received my first bill about a month later. I started getting letters and receiving phone calls. I really want to pay but I want to pay something reasonable. The hospital will help me if I give a payment of \$3,300. They have threatened to ruin my credit. They want me to pay \$3,300 and the additional \$15,000 will be divided into monthly payments. They have not told me how much I would have to pay [month to month],”¹⁰⁸ reports Lucia M.

Out of Over 200 Victims, the Only Patient to Ever Get a Discount and Affordable Payments

“I went to the hospital because I was stabbed while I was at a stop sign. Several exams were done. I was in the hospital for one night. I received the bill a week later. When I opened the envelope, I was very surprised that I was being billed \$8,000 for the hospital stay only. I believe that I am being charged \$1,000 per hour. We have worked very hard to get and have the little that we have. We have gone to different [offices] ... to find ...help. I earn \$400 per week.”¹⁰⁹ Nicolas S. eventually obtained a 90 percent discount (reduced to about \$800) and he is being allowed to make 20 payments of \$40 per month with no interest.

¹⁰⁵ Case 416, February 26, 2003.

¹⁰⁶ Case 433, February 20, 2003.

¹⁰⁷ Case 440, March 3, 2003.

¹⁰⁸ Case 403, February 10, 2003.

¹⁰⁹ Case 438, March 3, 2003.

Conclusion

Our report is titled “*Infierno*”—Spanish for the word “Hell”—because so many of the victims we interviewed have been placed into a “living hell” by the aggressive efforts of hospitals and their collection goons.

Story after story, the empirical evidence demonstrates that uninsured families that may have some assets are being robbed of their livelihood by price-gouging hospitals. Repeatedly, hospitals offered little or no assistance to these self-pay families. Instead, the hospitals offered to extinguish the American Dream for many of these working-class families by charging four or five times more than what an insured patient would pay and then “putting on the squeeze” for payment.

The evidence shows that this is not merely a situation in which “a few cases fell through the cracks.” This is a systematic, common practice across the country by both for-profit and nonprofit hospitals.

Growing Public Backlash

Hospitals know they have been caught with their hand in the cookie jar. Hospitals are so worried that one trade association in Illinois offers “talking points” to help members spin themselves out of embarrassment (One of the first talking points encourages members to talk about charity care and uncompensated care—again, deflecting attention away from price gouging.)

At the national level, a hospital trade group sent out an alert. *The Wall Street Journal* reported last week:

“Facing a growing public backlash, the hospital industry is weighing fundamental changes in the way it bills and collects payments from needy patients who have little or no health insurance. The American Hospital Association, an industry trade group, dispatched an ‘Alert’ on June 10 to the chief executives of 4,800 hospitals across the U.S., as well as every state hospital association. It suggested they perform the equivalent of an ‘audit’ of their billing, charity-care and debt-collection practices.”¹¹⁰

Some hospital systems, like Advocate Health in Illinois, have cleverly attempted to say they cannot do anything about the problem because federal regulations prevent them from correcting the situation, that billing practices are “governed by federal law.”

Malarkey!

Who sets up the outrageously high prices? Not the federal government. Hospitals do. Who sets up the aggressive collection efforts? Not the federal government. Hospitals do. Who places liens, garnishes wages and destroys credit histories? Not the federal government. Hospitals do.

¹¹⁰ Lagnado, Lucette, “Hospitals Urged to End Harsh Tactics for Billing Uninsured,” *The Wall Street Journal*, July 7, 2003, page A9.

Consejo Continues the Fight

Hospitals are being held accountable for their egregious behavior. The Consejo has begun fighting hospital price gouging across the country:

- In Washington, DC, the Consejo met with representatives of the House Oversight and Investigations Subcommittee of the House Committee on Energy and Commerce and encouraged that a letter of inquiry be sent to hospital executives and that hearings be held. *The Wall Street Journal* reports that the subcommittee has “launched a preliminary investigation into hospital pricing.”¹¹¹
- In Colorado, the Consejo met with and made two presentations to the Colorado Civil Rights Commission encouraging a letter of inquiry be sent to all hospitals. The Commission launched an official inquiry last month.
- In Chicago, the Consejo met with members of the Chicago City Council and released initial findings at a news conference with Congressman Luis V. Gutierrez on May 28. Last week, the Consejo testified at hearings spearheaded by Alderman Daniel Solis. The Consejo recommended that a letter of inquiry be sent to all hospitals in Cook County.
- In Oklahoma, the Consejo met with Attorney General Drew Edmondson this spring and held two workshops with uninsured victims last month. The Consejo and Oklahoma City Branch of the NAACP have agreed to jointly combat this price-gouging problem against minorities and others.

Fair Pricing Solution

“We call for a fair pricing policy for the uninsured. We want to work with Council for United Latinos and hospitals to make sure uninsured are not charged more than the insured for the same procedures,” says Lorez Meinhold, Executive Director of the Colorado Consumer Health Initiative.

And that is the avenue hospitals should take: Charging the same discounted prices for services rendered to the uninsured and insured. Like Tenet Healthcare’s Compact With the Uninsured (see Appendix B), hospitals should adopt a universal policy that charges the uninsured the same discounted managed care rates as the insured regardless of race, ethnicity, or income.

Many hospitals, like HCA, want to offer superficial “discount” plans, which in reality does nothing to end the problem of price gouging. They actually preserve the outrageously high and aggressive pricing schemes. When they want more profits, all they have to do is jack up their prices and their 20 percent discount is worthless.

As we close, we observe that Truth-in-Pricing is one of the hottest issues in healthcare and that scrutiny of price gouging of the uninsured by hospitals is on the rise. We hope that hospitals will

¹¹¹ Ibid.

be willing to adopt policies that incorporate four fundamental changes that will end the “infierno” we uncovered in this report:

- Uninsured patients, regardless of race, ethnicity or income, will be charged reasonable rates like the insured.
- Uninsured patients will be offered reasonable payment plans over a reasonable period of time.
- No litigation will be engaged until all charity and government programs have been exhausted and the uninsured has been offered a reasonable rate and payment plan.
- No litigation will ever be engaged whatsoever against uninsured patients whose only sole asset is the family home.

About the Author

K.B. Forbes is the Executive Director of the Consejo de Latinos Unidos, a national nonprofit organization which educates and assists Latinos and others in the areas of health care, immigration, education, and police protection. Forbes is the author of two other Consejo reports: *Cinco*, an investigative report on hospital price-gouging in Southern California (2001), and *Ahora*, an investigative report on allegations of police brutality in Southern California (2002). Forbes has served on three presidential campaigns. A former English as a Second Language teacher near Watts, Los Angeles, he is the son of a Latino immigrant.

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There are many nameless people who helped along the way. Thank you for your suggestions and assistance.

APPENDIX A

The Consejo collected over \$3 million in medical bills. Below is a cost analysis of almost half of those bills.

Of the \$1.3 million in medical bills we were able to analyze, an insurance company would have paid \$307,000 on those same procedures and services. These uninsured victims were charged over four times more.

Case	State	Hospital	Amount	Medicare	Typical DRG HMO	DRG Description
215	OK	OU Medical Center	\$30,922	\$7,276	\$8,149	49 Major Head and Neck Procedure
219	OK	Integrus Baptist Medical Center	\$56,063	\$9,632	\$10,788	111 Major Cardiovascular Procedure w/o complications
221	OK	Edmond Regional	\$7,072	\$3,524	\$3,946	323 Implants
225	OK	Mercy	\$31,747	\$6,128	\$6,863	124 Circulatory disorders except AMI, w/ card cath and complex diagnosis
227	OK	OU Medical Center	\$85,370	\$13,891	\$15,558	3 Craniotomy
228	OK	Norman Regional	\$62,043	\$6,884	\$7,710	79 Respiratory infections and inflammations
233	OK	St. Anthony	\$7,553	\$3,898	\$4,366	177 Uncomplicated peptic ulcer w cc
240	OK	Midwest City Regional Hospital	\$37,385	\$14,692	\$16,455	148 Major small and large bowel procedures
245	OK	Integrus Baptist Medical Center	\$46,109	\$6,128	\$6,864	124 Circulatory disorders with cardiac cath
406	FL	Jackson Hospital	\$15,443	\$4,187	\$4,689	371 Cesarian section w/o cc
407	FL	Florida Hospital	\$6,383	\$2,324	\$2,603	102 Other respiratory system diagnoses w/o cc
414	FL	Florida Hospital	\$11,342	\$3,370	\$3,775	295 Diabetes age 0-35
419	FL	Florida Hospital	\$35,207	\$6,245	\$6,994	166 Appendectomy w/o complicated principal diagnosis
429	FL	Florida Hospital	\$116,242	\$11,970	\$13,406	20 Nervous system infection
436	FL	Florida Hospital East	\$20,882	\$2,498	\$2,798	134 Hypertension
509	OK	OU Medical Center	\$8,801	\$5,115	\$5,729	368 Infections, female reproductive system
516	OK	Integrus Baptist Medical Center	\$35,768	\$5,502	\$6,163	14 Intracranial hemorrhage & stroke
530	OK	Integrus Baptist Medical Center	\$30,606	\$12,784	\$14,318	195 Cholecystectomy w CDE w CC
538	OK	Integrus Southwest	\$10,737	\$2,498	\$2,798	134 Hypertension
539	OK	OU Medical Center	\$9,977	\$6,534	\$7,318	21 Viral meningitis
602	CO	Aurora Medical Center	\$24,147	\$4,135	\$4,631	18 Cranial and periphial nerve disorder w cc
606	CO	Denver Health	\$11,370	\$2,765	\$3,096	158 Anal and stomach procedures w/o cc
614	CO	Aurora Medical Center	\$21,210	\$4,297	\$4,812	494 Laparoscopic cholecystectomy w/o CDE w/o cc
615	CO	Aurora Medical Center	\$14,548	\$4,540	\$5,085	443 Other or procedures for injuries w/o cc
617	CO	Saint Anthony	\$33,366	\$5,143	\$5,760	77 Other respiratory system or procedures

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618	CO	Porter Hospital	\$66,918	\$31,640	\$35,436	106 Coronary bypass
621	CO	Saint Anthony	\$33,371	\$4,297	\$4,812	494 Laparoscopic cholecystectomy
901	IL	Glottlieb Memorial Hospital	\$10,577	\$4,079	\$4,550	55 Miscellaneous ear, nose, mouth & throat procedures
902	IL	Norwegian American Hospital	\$7,301	\$2,270	\$2,550	184 Esophagitis, gastroent & mis digest disorders
903	IL	MacNeal Medical	\$5,446	\$2,531	\$2,800	143 Chest pain
905	IL	Holy Cross Hospital	\$20,116	\$4,911	\$5,500	418 Postoperative and post-traumatic infections
907	IL	Norwegian American Hospital	\$10,822	\$2,735	\$3,100	189 Other digestive system diagnoses, age > 17 w/o complications
911	IL	Doctors Hospital	\$24,182	\$8,812	\$9,900	353 Radical hysterectomy
914	IL	Masonic Hospital	\$16,873	\$4,266	\$4,800	167 Appendectomy w/o complicated principal diagnosis w/o complications
916	IL	Delnor	\$7,001	\$4,820	\$5,400	219 Lower extrem & humer proc except hip, foot, femur age > 17 w/o cc
918	IL	Thorek Hospital and Medical Center	\$15,547	\$4,891	\$5,500	89 Simple pneumonia
926	IL	St. Mary of Nazareth Hospital Center	\$14,665	\$6,739	\$7,550	377 Postpartum and post abortion diagnoses w/ O R procedure
930	IL	Advocate Northside Health Systems	\$10,744	\$4,266	\$4,800	167 Appendectomy w/o complicated principal diagnosis w/o complications
931	IL	Rehab Institute of Chicago	\$59,464	\$4,803	\$5,379	462 Rehabilitation
932	IL	MacNeal Medical Center	\$9,060	\$2,993	\$3,350	229 Hand or wrist procedure except major joint procedure w/o complications.
934	IL	Norwegian American Hospital	\$73,175	\$8,851	\$9,900	477 Non-extensive OR procedure unrelated to principle diagnosis.
935	IL	Advocate Northside Health Systems	\$18,177	\$3,470	\$3,900	521 Alcohol/Drug abuse or dependence with complications
936	IL	Our Lady of Resurrection Medical Center	\$74,396	\$6,121	\$6,850	499 Back and neck procedures except spinal fusion with complications.
937	IL	Advocate Illinois Masonic Medical Center	\$52,580	\$6,392	\$7,200	28 Traumatic stupor and coma, coma < one hour, with complications
		TOTALS:	\$1,300,704	\$274,847	\$307,951	

APPENDIX B

Tenet's Compact with the Uninsured
(a) Patients without insurance at Tenet hospitals will be treated fairly and with respect during and after their treatment, and regardless of their ability to pay for the services they receive.
(b) Tenet hospitals will provide financial counseling to all uninsured patients. This will include help in understanding and applying for local, state and federal health care programs such as Medicaid.
(c) After uninsured patients receive treatment at Tenet hospitals and are provided with financial counseling, they will be offered discounted pricing for the services provided at rates that are within the range of discounts provided to managed care patients. (This proposal requires regulatory approval, which Tenet is seeking.)
(d) All patients without insurance at Tenet hospitals will be offered reasonable payments and payment schedules and, subject to their acceptance, self-pay patients will be billed at discounted rates. Whenever possible, this will occur before the patients leave the hospital, as part of the financial counseling process.
(e) Tenet hospitals will not pursue legal action for non-payment of bills against any patient who is not gainfully employed at the time services are rendered. Before taking legal action, hospitals will assure that the patient is not eligible for any assistance program and does not qualify under the hospitals' charity care policy. Nor will they pursue legal action if the only recovery available would be to place a lien on the patient's home.

APPENDIX C

Based on the latest available Medicare financial data, and HCA's own filings with the SEC, we estimate that in 2002, HCA overcharged the uninsured \$2.1 billion dollars more than the uninsured would have had to pay if they had been charged the same prices that managed care pays. These are overcharges of 202% times what managed care would have paid—more than double.

	Cost	Charges
HCA, 153 hospitals, in the 12-31-2002 Medicare (HCRIS) data base	\$9,247,249,788	\$31,586,574,289
HCA admissions other than Medicare, Medicaid, Managed care or other discounted plans i.e., uninsured (page 52, 2002 10K filed with SEC)	10%	10%
Costs and Charges applicable to the Uninsured in 2002	\$924,724,979 A	\$3,158,657,429
Average mark-up above costs paid by managed care (Medpac Commission data)	<u>x 1.13</u> B	
Charges to the uninsured if managed care rates had been charged		\$1,044,939,226 (A x B)
Amount uninsured have been overcharged by HCA, nationally, in one year		\$2,113,718,203