



# HEALTH CARE NEWS

A Monthly Publication From the New York State Attorney General's Health Care Bureau

Eliot Spitzer  
Attorney General  
New York State



## GHI TO REFUND \$1.2 MILLION TO CONSUMERS

Attorney General Eliot Spitzer announced an agreement with Group Health Incorporated (GHI), a major New York health plan, to reimburse consumers who were required to pay up to \$2000 out-of-pocket for services that were supposed to be fully covered by insurance.

"Ensuring that health plans fully cover the services consumers are entitled to is of critical importance for all New Yorkers in securing access to care," Spitzer said. "The lesson here for all consumers is to know the terms of your policy to prevent out-of-pocket payments for what are in fact covered services."

Spitzer's investigation revealed that GHI charged co-insurance for inpatient rehabilitation, physical therapy and diagnostic tests – services fully covered under the terms of the members' policy. Members usually paid 20% of the total bill for services, up to a maximum of \$2000 out-of-pocket. Many health care providers discounted their bills by \$2000 rather than passing the charge on to the member.

According to GHI, which serves about 2.6 million New Yorkers statewide, the co-insurance provision was mistakenly omitted from the policy. Under the terms of the agreement, GHI will fully reimburse all affected members and health care providers.



## HEALTH CARE HELPLINE AT 1-800-771-7755 option 3

When 51-year-old Ms. G underwent shoulder surgery, her specialist recommended physical therapy during recovery. Ms. G's health plan agreed to pay for 16 physical therapy sessions – services covered under the terms of her policy. But, when Ms. G's specialist requested coverage for additional therapy, arguing that it was medically necessary, her plan said it could take up to 30 days to review the request because they were backlogged. Ms. G contacted the Attorney General's Health Care Helpline and an AG mediator informed the plan that under New York State law, a health plan has one business day to respond to requests for continuation of "medically necessary" treatment. The plan agreed to fully cover Ms. G's physical therapy sessions.

## Q & A

**Q:** Does Medicare fully cover preventive diagnostic tests for women?

**A:** As of July 2001, Original Medicare helps pay for a pap test, pelvic exam, and clinical breast exam once every 24 months, but you must pay 20% of the Medicare-approved amount of the bill. If you are of childbearing age and have had an abnormal pap test within the past 36 months or if you are in a high risk group for cervical or vaginal cancer, Original Medicare will help pay for these tests *once every year*. No Part B deductible is required. If you are in a Medicare HMO or a Private Fee-for-Service-Plan, these preventive services are still covered, but your out-of-pocket payments may be different from those described above (i.e., not necessarily 20% of the Medicare-approved amount.) Check your plan handbook for more information. If you have any questions, call 1-800-MEDICARE or visit [www.medicare.gov](http://www.medicare.gov)

## AVOID OUT-OF-POCKETS COSTS

To maximize health insurance coverage and minimize out-of-pocket health care costs:

- Read your health insurance policy carefully to learn about the extent and limits of your coverage. Take special note of the services for which you have to pay - through co-pays, deductibles or co-insurance.
- Keep a careful record of all health care expenses that may be applied towards your deductible. Keep receipts showing co-payments and co-insurance payments.
- If you are asked to pay a charge you do not understand, ask your plan to explain the charge and to direct you to the relevant provision of your policy that requires it.



## DID YOU KNOW?

According to recent estimates, U.S. life expectancy has reached a record high: 74.1 years for men and 79.5 for women.

Attorney General Eliot Spitzer's Health Care Bureau protects - and advocates for - the rights of all health care consumers statewide. The Bureau operates a Health Care Helpline that assists thousands of New Yorkers with individual problems; investigates and takes law-enforcement actions to address systemic problems in the operation of the health care system; and proposes legislation to enhance health care quality and availability in New York State. **To share your views contact the Editor: [Rashmi.Vasisht@oag.state.ny.us](mailto:Rashmi.Vasisht@oag.state.ny.us)**