The Elderlaw Forum: Hospital renegs on oral agreement

by Professor_Michael_Myers

Living on Social Security is difficult. It requires fiscal restraint. It requires budgeting.

â€œItâ€™s been tough,â€• said a 78-year-old Oregon man who called the senior legal helpline. â€œOur sole income is Social Security, which is $890 per month. Weâ€™ve always prided ourselves in being self-reliant. But now the hospital bill collectors are after us.

â€œI told the hospital before the surgery that we could only pay $42 per month on my Medicare deductible and if that wasnâ€™t satisfactory they should cancel the surgery. They went ahead with the surgery. And now they say the payments are not acceptable. Can they do that?â€•

The hospital is a Catholic hospital, a subsidiary of a national non-profit health corporation with hospitals and long-term care facilities in 19 states. It has information systems, lawyers, billing agents, collectors, and political clout. It is well-equipped to do legal battle with an elderly patient. .

The hospital denied the callerâ€™s request for a charitable write-off. â€œWe qualify for food stamps,â€• said the caller, â€œbut the hospital says we arenâ€™t eligible for its charity discount, even though Medicare paid $2,792 of the $3,551 bill for my eye surgery.â€•

The balance is $759--Medicareâ€™s deductible and co-insurance. He has no Medicare supplement. â€œWe had to drop our Medigap insurance because it was too expensive,â€• he said. â€œI canâ€™t believe a Catholic hospital will not live up to its agreement. At $42 per month, it will be paid off in 18 months.â€•

Adding insult to injury, the surgery failed to improve his eyesight. In fact, it reduced his vision. And, according to another eye doctor, the surgery was ill-advised.

The callerâ€™s predicament is not unusual. Medicare Part B deducts $93.50 per month from his Social Security benefit and another $93.50 from his wifeâ€™s benefit. Medigap is unaffordable. A â€œPlan Fâ€• plan for the caller and his wife would cost about $3,500 annually. Medicare copayments and deductibles wreck havoc with their budget. Payment is demanded despite a bad clinical outcome.

I have written the hospital, asking that it remain faithful to its oral agreement and accept the callerâ€™s $42 monthly payments. Charitable hospitals can be, and often are, uncharitable. Medicare can be, and often is, inadequate. Living on Social Security is difficult.

(Pro bono legal information and advice is available to persons 55 and older through the University of South Dakota Senior Legal Helpline at 1-800-747-1895; mmyers@usd.edu. Opinions herein are solely those of the author and not the university).

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