

**Healthcare Literacy:**

# Saving Money on Your Healthcare Expenses



Even after you've selected the health plan that offers the best coverage for the lowest net cost, you may realize that healthcare isn't cheap. The good news is, you can still invest in your health while cutting costs. Here are some tips to get you started:



## 1. COMPARE PRICES—PREFERABLY IN YOUR NETWORK.

Staying in-network is one of the best ways to save on healthcare expenses. Costs can skyrocket out of network. But even when you stay in-network, you should still shop around. Don't simply choose the first provider you find. Make sure you have several cost-effective options to choose from.

Whether you need to visit a specialist or have an outpatient surgery, research different in-network providers (reviews and costs) and then narrow down your options. As [Investopedia](#) explains...

“The approximate costs for medical services are available online from a number of locations, including: consumer websites (such as [HealthGrades.com](#) and [The Leapfrog Group](#)), individual hospitals and insurance companies, and even the [federal government](#).”

Your employer may also provide additional tools to help you compare potential costs.

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## 2. OPEN AN HSA OR FSA.

When it comes to saving money, opening a health savings account (HSA) or flexible spending account (FSA) is an important strategy.

Both of these accounts help you cash in on tax savings. If you make contributions to an HSA or FSA, you'll get to use your pre-tax money on your healthcare costs. What's more, according to the [IRS](#), if you grow interest on your HSA, your earnings are tax-free, too.

In short, investing in an FSA or HSA means there's less money going to Uncle Sam...and more money staying in your own pocket for your family's healthcare expenses.



## 3. BE SAVVY ABOUT YOUR PRESCRIPTIONS.

Prescription drugs can make your medical bills skyrocket.

To save money, try to choose a generic version of your prescription when you can. It's a well-known fact that both a brand-name drug and a generic one have the same active ingredient...but a huge difference when it comes to the price tags.

We'd also encourage you to check out this tip from [Money Talk News](#) for saving on generic medications:

“Ask your doctor if a generic exists for the drug he or she wants to prescribe. If so, don't stop there — shop around. A few years ago, [Consumer Reports](#) found a 447 percent difference in the price when it surveyed stores for the cost of generic versions of five widely prescribed medications.”

You can also save on prescriptions if you request a 90-day instead of 30-day supply and look for prescription assistance programs starting with the drug manufacturer's website.



## 4. TAKE ADVANTAGE OF TELEMEDICINE.

If you don't have an urgent problem, you may be able to save money by asking for virtual help.

Some employers offer free access to a nurse. If you're not sure if you need to visit a doctor, don't know which kind of doctor to visit, or have a fever and don't know what to do, you can call the nurse line and get an expert opinion.

Telemedicine is another way to save. You still meet with a doctor, you just chat virtually instead of traveling to a physical office. It costs less than going to a doctor's office and you can contact them from home.



## 5. BE MINDFUL OF YOUR TIMING WITH MAJOR HEALTHCARE EXPENSES.

We'd also recommend that you carefully time your healthcare expenses to save money.

Let's say you're planning a wellness check in three months. However, your FSA funds are about to expire. It makes more sense to schedule your appointment now to avoid losing your pre-tax FSA funds.

Or perhaps you've already met your out-of-pocket maximum for the year. If you have a surgery scheduled a few weeks after your policy "resets," see if you can move up your surgery date.



## 6. PARTICIPATE IN A WELLNESS PROGRAM.

Many employers not only offer wellness programs, but they also provide monetary incentives or discounts on your health insurance or fitness/wellness programs. Learn more about what your employer offers and develop a plan to get the most out of it.



## 7. RESEARCH IF YOUR PROVIDER REWARDS CASH PAYMENTS.

It's a well-known fact that a healthcare provider might agree to a discount...simply for paying your bill in cash. Just check out what [Consumer Reports](#) has to say...

"According to experts Consumer Reports talked to and a review of pricing options offered by dozens of healthcare providers, more doctors, hospital networks, and treatment centers are touting big discounts for patients who pay cash upfront and forgo using their insurance."

However, your savings aren't limited to the provider discount. As Consumer Reports also points out, you can use your HSA or FSA funds for cash payments.

→ **Tip:** *Before using your HSA/FSA funds, make sure that your expense qualifies as an HSA- or FSA-eligible expense.*



Helping employees make the best decisions about their benefits.