

Tips on What to Do if You Can't Pay Your Medical Bills

The cost of healthcare is infamously high in America today, and millions of people don't have health insurance or are "underinsured," which means their coverage doesn't provide as much financial help as they actually need. Medical debt is even the leading cause of bankruptcy in the US. When bills pile up from doctors' offices, clinics, or a hospital, it leaves many people wondering what to do if they can't pay their medical bills.

Unpaid bills eventually get sold to collection agencies, who report the debt to the three credit reporting agencies: Experian, Equifax, and TransUnion. Accounts in collection are a serious negative on your credit report, taking a significant toll on your credit score and sometimes automatically disqualifying you from some loans, lines of credit, or even jobs where employers do a credit check prior to hiring. [Click here for more information on how to raise your credit score.](#)

So, if you're wondering what to do if you can't pay your medical bills, take a look at the advice below.

Dealing with Your Medical Debt

- Review your itemized bills closely for mistakes because they're incredibly common - especially on hospital bills (some sources claim that as many as 90 percent of hospital bills contain billing errors). If you find charges that shouldn't be there, bring them to the attention of the provider's billing department.
- Contact the billing department and explain that you have a financial hardship and can't pay your medical bills. Often, you get a discount just by asking, and many hospitals have hardship programs that offer financial assistance. One good strategy when negotiating is to ask how much insurance companies or Medicare pays for the same services you received and offer to pay that amount (it's usually lower). You can also use websites like [New Choice Health](#) or [Healthcare Bluebook](#) to see

average costs in your area for the services or procedures you had; if you're being charged above-average prices, point this out and use it in your negotiations too.

- Ask for a payment plan and try to work out a monthly payment you can afford. If you can make a down payment upfront, this should help you negotiate a lower monthly payment.
- Don't use credit cards to pay off medical debt. There's almost never interest charged on medical bills (and when there is, it's generally a very low rate), whether they've gone unpaid for a while or you have a payment plan. But interest rates are usually pretty high on credit cards, so paying healthcare bills this way greatly increases your total cost.
- Look for sources of financial assistance. If your debt is with a hospital, start there. Help may also be available by applying to Medicaid or Children's Health Insurance Program (CHIP) in your state. [Click here to view a list of medical debt assistance programs](#) and seek help from any that are relevant.
- If you have debt in collections, negotiate with the collection agency. Make an offer to pay a lower amount, and expect a counteroffer and some haggling. You can also ask for a payment plan, but do so after first getting your balance reduced (which is almost always possible because debt collectors much prefer to get some money than to get none.)