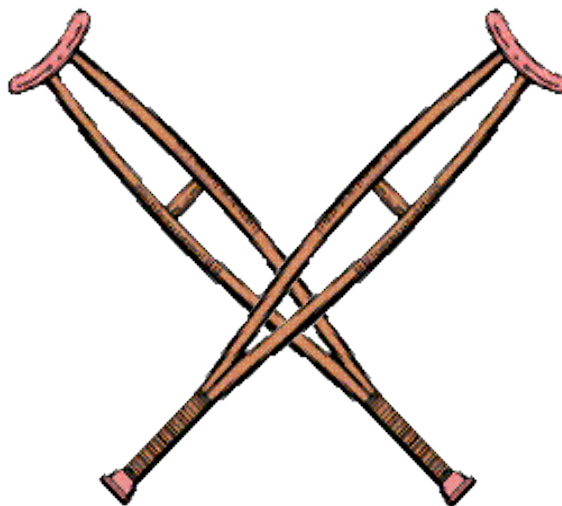


# How to Survive Hospital Costs Without Insurance

by Gregory Allan



Revision 2.0

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**Notice:**

This is an evaluation copy of How to Survive Hospital Costs Without Insurance, by Gregory Allan. As such, it contains only the Introduction, and the first five chapters. The complete version contains fifteen chapters. The Table of Contents lists all the chapters included in the complete version. This is so you will know what you're missing.

Obviously, this is a ploy designed to help me sell more books. Once you've read these first few chapters and see that my procedures are built on sound legal strategy, you'll be more likely to buy the complete book. If it works, then it's good for both me and you. As long as I'm selling books, I'll continue to develop and support this material. That means you can continue to get current information on how to save on healthcare costs.

As I write this, the cost for the complete version in PDF format, delivered via Internet, is \$49.95 (prices may change without notice). Most people are already facing a big hospital bill when they learn of my book and buy it. Using my procedure they save hundreds, or even thousands of dollars that very first time, and then continue to save for the rest of their lives.

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Thanks for reading.

--Gregory Allan

# How to Survive Hospital Costs Without Insurance

by Gregory Allan

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For the labourer is worthy of his hire. (Luke 10:7)

Behold, the hire of the labourers who have reaped down your fields, which is of you kept back by fraud, crieth: and the cries of them which have reaped are entered into the ears of the Lord. (James 5:4)

Blessed are they which do hunger and thirst after righteousness: for they shall be filled. (Matthew 5:6)

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## Introduction

The work you are about to read is the result of the Author's work and experience over the past nine years. This report is divided into fifteen chapters, including the report body, a Summary, and an Appendix. The first five chapters are offered free through the website: <http://www.lawfulpath.com>. The file you are viewing now contains the complete report. **This report is not free.** It is available directly from the Author, in exchange for a small fee. Further information can be obtained from the Author, by contacting him at: [gregory@lawfulpath.com](mailto:gregory@lawfulpath.com). Thank you for respecting the Author's copyright.

### What is this Report All About?

This report is written to provide desperately needed relief for people without health insurance.

If you have no health insurance, you are not alone. According to the U. S. Census Bureau, you are one of 43.6 million Americans who also had no health insurance as of September, 2003.

(<http://www.census.gov/Press-Release/www/2003/cb03-154.html>)

Some people are uninsurable, due to prior existing health problems. Insurance companies are really just gamblers, after all. If you're not a good risk, you can forget it.

Many can't afford the high rates. I know. At one time I was making really good money, and buying top-notch health insurance. Then the bottom dropped out of my business. Along with losing a lot of other things, I suddenly had no medical insurance. That's what prompted me to learn for myself what I'm about to pass on to you. Now my business is back on track. I could afford insurance again, if I wanted it. But with the secrets I've learned and perfected, I'm money ahead to pay for my medical care as and when I need it.

This report teaches step-by-step instructions on how to do all of the following:

- Get medical care, even without insurance.
- Negotiate discounts on existing medical bills, without ever speaking to a single person.
- Pay half-price or less for future medical expenses.
- Stop collection agents dead in their tracks.
- Do all of the above without ruining your credit rating.

You will learn how, on the average, I have cut my family's medical expenses by more than half. When you apply my methods, you can expect to start putting at least one out of every three dollars you are billed by hospitals back into your own pocket, for the rest of your life. The same is true for doctor and dentist charges. Often you may save as much as seventy-percent.

You say you have health insurance? Have you ever had a medical procedure done which you thought would be covered by insurance, only to find that your insurance company disallowed it? At today's prices, even a single such procedure can drive you straight into bankruptcy. I'm about to teach you how to save big money on any disallowed services. And when you see how easy this is to do, if you're like me you'll cancel your health insurance altogether.

My methods are perfectly legal. In most cases you will remain on good terms with the hospitals and doctors. You will only be asking them to do the same thing they already do for insurance companies, every day. I'll show you why it's an offer they can't refuse.

## **Is this For Real?**

Yes. Absolutely. Everything you will read about in this report has been successfully done in the real world, not just once or twice, but hundreds of times. My methods are a result of more than nine years of trial and error in dealing with hospitals and doctors in private practice. I started out doing this for myself and my family. As I became successful, I started helping extended family, and friends.

When my wife gave birth to our son, the combined bill for the hospital and doctor came to just over \$5,400. This happened when I was just discovering the principles taught here. I spent almost nine months corresponding by mail with the hospital and doctor's office (my wife compared it to having another baby). At one point the bill was turned over to a collection agency. In the end, the collection agency handed it back to the hospital, which settled the whole matter for \$1,700.00. No black marks appeared on my credit record. Since then, I've learned through experience to settle most matters much more quickly.

For example, a few years ago my wife was suffering severe stomach cramps. We had recently moved 700 miles from home, and hadn't found a family doctor yet, so we went to the local hospital's emergency room. After waiting for over an hour, a doctor breezed in for less than three minutes, wrote a prescription, and left. We received a bill the following week, for \$508.34. After receiving three letters from me over the next eight weeks, the hospital settled for exactly fifty bucks.

Around the same time some friends of ours were about to have their first baby. They had no insurance, and didn't have much money, and so planned a home birth. But when the time came there were complications. They went to the hospital, but the wife suffered a miscarriage. It was a very sad and stressful time for them. Not only had they lost a child, but the hospital billed them nearly \$8,000 which they could not have paid. Nothing could bring back their child, but I got the bill knocked down to \$1,800. They now have two healthy children. They're no longer afraid to go to the hospital, since they know the prices will be within their reach.

In early A.D. 2000, I wrote the first version of this report, which was read by about 130 people. Many of those readers have used my methods, and given me feedback. Since then, my wife has had another baby.

I looked on having the baby as another opportunity for research and testing. We purposely chose a hospital with a reputation for the most aggressive collection we could find. Public records prove they make a practice of suing everyone who doesn't pay them in-full, and NOW! They've obviously got their collection procedures down-pat; literally hundreds of people in this small county have liens filed against their property as a result of judgments this hospital has gotten against them. I figured if anything would be a rock-solid test, this would be it.

I applied my methods with them, and sure enough, they were tough. They ignored all my letters, and refused to negotiate at all! But in the end, I prevailed. This hospital, which normally handles all their own collections, turned my account over to a collection agency. The collection agency sent a few letters, to which I responded using my methods. The agency had to give up in defeat. They couldn't even blacken my credit. No one ever tried to sue me. They didn't dare, because they knew they'd lose. The hospital's hard-headed refusal to settle the bill when they had the chance, resulted in them finally having to forfeit the entire amount.

These experiences, along with the feedback I've had from many of my readers, has helped me to greatly improve my procedures. Here's what a few of them have to say:

"I just finished reading your book. I wish I would have had this info 20 years ago." --Larry; Utica, Nebraska

"I have just completed my study of your Survive! material that I purchased about a month ago... I am self-employed and have no medical insurance. I have tried to negotiate with the hospital to no avail. Wishing that I had your material before this happened, I have been sharing my story, and your website, with others so they won't have to be uninformed like I was." --Gary; Miami Beach, Florida

"The hospital bill for my wife's surgery came to \$22,563.78, and the doctor's bill was \$1,545.00 on top of that. We didn't have insurance. Our credit was stretched to the limit. Bill collectors were calling every day. I thought we were going to lose our home. After reading your book, I settled the bill for only \$6,500 total. And I was able to pay that in installments! Thanks, Gregory." --David; Baltimore, Maryland

You can do the same thing, easily, by following my step-by-step instructions. My methods do not require any special skills in negotiating, and cost almost nothing to use. Your only costs will be a small amount of paper, ink, and postage. And a bit of your time.

When you're finished reading, you may see my methods as a way to "screw" doctors and hospitals, or "get away" with something. A few chapters, such as the one on how to stop collection agencies might be especially easy to abuse. It's true-- my methods will even work for some people who just want to skip out on some of their bills. Collection agents will hang up on you, and never call back. But that's not my purpose. I believe most people will behave honestly. This report is written for all those strange but honorable people who, like me, want to carry their own weight in life.

## **What's the Catch?**

This sounds too good to be true. So what's the catch?

Once you've read the last of these free reports, you will know how to save yourself and your family many thousands of dollars over your lifetime. This is valuable information. Why am I giving it away free?

When I wrote the first version of this book, everyone who read it agreed it was worth easily ten times the price. I thought all the millions of people who have no health insurance would beat a path to my door. What I discovered was that it didn't matter how I advertised-- most people who saw the ad figured my claims were too good to be true. Very few were willing to risk good money without first knowing more.

Obviously, I'd like to sell a lot of books, so this first plan wasn't working out. I had to find a way to prove to potential customers that my information was worth the money. So I re-wrote the book, and split it into several distinct parts. One of these parts I am giving away absolutely free. The other parts are packaged together into the complete report, which is the paid version.

This free version will explain in detail how and why my methods work. You will learn how to check into any hospital in such a way that they will be legally obligated to give you deep discounts on all your future medical expenses. You'll even learn how to protect yourself against charges disallowed by your insurance company, if you're one of the lucky ones who has health insurance.

The problem is that even though they are legally obligated, every hospital will resist honoring the discount prices. After they receive two or three letters written according to my methods, most hospitals will come around. Some will turn the account over to collection. After two or three of my letters to a collection agency, most will stop all attempts at collection. Some will turn the account back over to the hospital. In the end, the hospital will either settle for the discount, or they will get nothing. When done

correctly, the patient's credit is not damaged.

What the free version does NOT contain, is any of my actual letters to hospitals or collection agencies, or any of my tips on how to avoid collection and make a hospital honor its legal obligations. You won't get my Phone Script that tells you exactly what to say, and not say, to a collection agent who calls you on the phone. And you won't get the chapters that show you how to get discounts on already existing medical bills. All that comes with the paid version.

You will learn all the theory behind my methods, absolutely free. You might learn enough to figure out how to do all those other things yourself, without any further help. But getting it right will require trial and error, the same as I've done over the past nine years. I'm betting you'll decide it's cheaper in the long run, and a lot less trouble, to buy my complete book and use the tried and true materials it provides.

I've written this information in plain language that anyone can understand. In contrast, my letters are written in precise legal language that collection attorneys will understand. My methods don't require any negotiation. You don't have to talk to anyone. All you'll have to do is send a few letters. I've already written every letter you'll probably ever need. And then some. Even more important is that I've tested them. I know exactly what works, and what doesn't.

The good news is, you don't have to decide now. You can learn all about my methods, without paying a cent. You will find out in advance whether my strategy makes sense for you. Please accept these free reports, with my compliments.

In the next chapter, I jump right into the basis behind my whole process. Chapter One, "The Basics," exposes the major flaw in every hospital contract in America. This is a secret you won't want to miss.

# Chapter One

## The Basics

In this chapter, I reveal the big secret underlying all my research and work on hospitals and insurance. I'll also give you a little background on myself, so you'll know how I happened upon this information. This is where it all begins.

### Background

For many years I ran my own business, as a Petroleum Land Agent. My clients were oil companies, who wanted to drill wells for oil, or natural gas. My main job was to negotiate drilling rights with landowners. After the landowners signed up, it was also my job to research the title on the land. If any problems popped up, it was up to me to fix them.

The oil business, as you can imagine, depends heavily on all kinds of contracts. I was required to draft contracts, easements, and every kind of affidavit. They had to be letter-perfect. And whenever possible, they always had to be slanted toward the oil companies' best interest.

Most of the people who do this kind of work are attorneys. I'm not an attorney, but I dealt with them daily. I made it my business to understand every part of every contract, or applicable law, better than the attorneys.

I made my first discoveries about insurance and health care while I was paying for some of the most expensive health insurance available-- Blue Cross Blue Shield (BCBS). They are expensive because they're one of the best.

BCBS is a popular and widely-used insurance provider; accepted by nearly every hospital and doctor in America. Throughout this report I will refer often to BCBS, which is a registered trade-name. I do not intend any infringement upon that trade-name, or any prejudice toward that company. Any other insurance company may be substituted for BCBS and the meaning and usage will be the same.

Years ago, I had an 80/20 contract with BCBS. That means for any medical expenses I or my family incurred, BCBS would pay 80%, and I'd pay the remaining 20%.

Since I ran my own business, I was both the "payor" and the "service recipient" or beneficiary. As I found out, the payor often gets a more detailed billing statement than mere beneficiaries-- those who receive their insurance as an employee benefit.

We were usually pretty healthy. I'd been paying BCBS's high rates for several years without a claim, when my wife had some minor medical problems. When the bill arrived, there were a lot of figures and notices. But the bottom-line went something like this (I've rounded off the figures for the purpose of this illustration):

Hospital Billed:	\$2,500.00
BCBS allowable:	1,500.00
BCBS paid:	1,200.00
Patient owes:	300.00

What a deal! I only had to pay \$300 on a bill that had started out at \$2,500. But something was

confusing to me. The figures didn't look right. So I sat down with a calculator, and did the math: I had an 80/20 contract, and the original hospital bill was \$2,500. Twenty-percent of \$2,500 is \$500. So why was my bill only \$300, instead of \$500?

What happened? How did I save an additional two-hundred bucks? What percentage did I pay? My fingers punched it out on the calculator--- 300 divided by 2500 equals. . . 12%!! Why did I only have to pay 12%, instead of 20%? Do you know the answer?

Take another look at the above example. The figures plainly show that BCBS only had to pay \$1,500.00 instead of \$2,500. That's 40% off full price! The insurance company had already saved \$1,000.00 before they even sent me a bill. As an insurance buyer I saved an additional \$200.00 due to the insurance company's discount. If only I could be the insurance company. Look how much I'd save!

"Sweet!" I thought, "If only I could get the same deal BCBS had, I could probably afford to cancel my insurance!" Of course a few months later my premiums went up. It was the first raise in three years. Probably it was just a coincidence that it was also the first time in three years I'd had a claim.

On the rare occasion I had a claim, BCBS was saving me a lot of money. But wow, was their insurance EXPENSIVE. Even so, it took more than money to spur me into figuring out their game. It took necessity.

It was much later that my business suffered a major downturn. I could no longer afford those stiff premiums, and found myself with no health insurance for me or my family. I gave it as little thought as possible, hoping the problem would just go away. It was easier to ignore the problem and hope I'd never have to face it. Until one day I had to take a sick child to the emergency room. There, out of necessity, I had an inspiration which eventually led to you reading these words. Since then, I've spent another nine years improving, testing, and perfecting my ideas.

## **A Double Standard**

Obviously, the hospital in the above example used a double standard. They have one pricelist for the public to see, and another pricelist for BCBS. In my experience, this is true for every hospital. Insurance companies pay much less for healthcare than individual patients.

Hospitals routinely inflate their prices by as much as 300% for uninsured patients! Hospitals don't just decide one day to "accept" an insurance company. There has to be a contract.

Note: Throughout this report I will usually use the word "hospital" to refer to the health care provider. Please keep in mind that unless I specifically say differently, this term will apply equally to hospitals, doctors, dentists, and anyone else with a private practice.

In the above example, BCBS clearly had a contract with the hospital. In that contract, the hospital and BCBS had already agreed on a price for all the services we received. Although the hospital billed BCBS for more than the amount agreed in the contract, BCBS was only required to pay the contract amount.

In fact many insurance companies, and even Medicaid and Medicare do this. They set up schedules which include every conceivable service a doctor or hospital can provide, and then set a price they are willing to pay for each. If the hospital wants to accept Medicaid patients, they must agree to Medicaid's schedule of fees. Same for BCBS, or any other insurance company. BCBS is one of the largest, most widely-accepted insurance companies. Because of their size, they have a lot of clout. And of course they can afford very good lawyers to negotiate the best prices. The hospitals play ball.

This double standard is most obvious in cases where an insured patient undergoes treatment and some, but not all of the procedures are disallowed. A typical example might look something like this:

Subtotal of charges:	\$10,000.00
Procedures covered by BCBS:	6,000.00
BCBS allowable for covered procedures:	3,600.00
Total of procedures disallowed by BCBS:	4,000.00
Patient owes hospital:	\$4,000.00
Patient owes BCBS (20% co-pay):	720.00
Total cost to patient:	\$4,720.00

You can easily see something is fishy here. The insurance company gets a 40% discount on the portion of the bill they choose to pay. As for the procedures the insurance company disallows, the patient pays full price. When major surgery or cancer treatments are involved, a single disallowed procedure could bankrupt you!

What would this same table look like, if the patient got the same discount as BCBS?

Subtotal of charges:	\$10,000.00
Procedures covered by BCBS:	6,000.00
BCBS allowable for covered procedures:	3,600.00
Total of procedures disallowed by BCBS:	4,000.00
Patient allowable at BCBS rate:	2,400.00
Patient owes hospital:	\$2,400.00
Patient owes BCBS (20% co-pay):	720.00
Total cost to patient:	\$3,120.00

You save \$1,600.00. When my methods are used, the patient still gets the discount, even on disallowed procedures. This is how you may save many thousands of dollars with this information, even if you decide to continue buying insurance. It does not matter whether or not you have insurance. The techniques will work regardless of whether your insurance company allows or disallows any particular treatment.

## Cooperation or Conspiracy?

It's easy to see that the hospitals and insurance companies are in bed together, but are the motives necessarily evil? The word "conspiracy" has a negative connotation, while the word "cooperation" is warm and fuzzy. Where do we draw the line? By definition, conspiracies are usually kept secret. Here are some things to consider:

- Is it general knowledge that insurance companies get price breaks?
- Do either hospitals or insurance companies admit their discount policies if asked?
- Will either of them disclose to the public the details of their contracts?

You might think that keeping a secret this big just isn't possible. People would talk. The six-o'clock news would report it! Think so? Has the medical industry ever done anything like this before?

The average yearly income of a homeopathic doctor in A.D. 1846, was \$4,000. Allopathic doctors made on-average less than \$1,000 per year. People had a choice, and they voted with their feet. The *American Medical Association* was founded in 1847, by doctors of allopathy, for the sole purpose of raising the wages and social standing of doctors in their industry. Their principle competition, homeopathy, enjoyed prestige and high profits. The A.M.A. set out to change all that, by pushing for government licensing which would exclude homeopathic forms of medicine. They established trade schools over which they still maintain an iron grip, limiting the number of doctors to keep the supply of doctors artificially low (thereby keeping prices high).

Homeopathic medicine is far from dead today, but the doctors we commonly visit at hospitals are all allopaths. They did not achieve their lofted positions through superior skill or knowledge, but by lobbying, scheming, and blatant anti-trust practices. A free market would force healthcare prices down to a level where most people could afford a hospital's services. The medical industry, founded on price fixing, discovered the insurance industry to be a natural ally.

It is in the insurance industry's best interest that prices for healthcare services remain high. This generates fear in the public, and creates a huge incentive to buy insurance. Likewise it's in the hospitals' best interest if prices are high, because higher prices mean higher profits.

This works for both groups, at the expense of the healthcare consumer. But problems arise in the economic model, when prices rise so high that insurance companies can no longer stay in the game. Granting huge discounts to insurance companies is the obvious answer. Thus both industries survive, and work together to fleece the public to the maximum possible degree.

Now you know the dirty secret of the health insurance business. They charge you an arm and a leg for your premiums. But when it comes time to pay the bill, they only have to pay a fraction of what uninsured patients are charged. They catch you coming and going. Like the owner of a dump truck who gets paid to haul away unwanted dirt, and then is paid by someone who wants dirt, to haul it in and dump it.

It's a secret they're learning to guard ever more zealously. I haven't bought insurance for years. But I'm told by my readers that most employer's billing statements no longer reveal the discount such as I've shown above. They'd rather you didn't know. After all, you might get ideas-- like I did. And why should they pass along any discounts to you or your employer anyway?

## **Changing Sides**

The uninsured patient is treated like a patsy; someone to be conned; a mark. Obviously, it's better to be treated like an insurance company. The question is, how can you change sides?

That's the secret I'm about to tell you, absolutely free. The free portion of this report will show you how to box the hospital in, so that they are legally obligated to treat you the same as they would a large insurance company. That means you will be entitled to the same discounts.

The secret is in the contracts. Fortunately you have this free report, and won't have to spend years studying contract law as I did. The methods you're about to learn are very simple. I rely on a handful of easily understood principles of commercial law which are hundreds of years old. They are still used every day-- mostly by large corporations with high-powered attorneys. You won't need to dig through law books. The only reference you'll need will be this report, which will give you easy to follow, step-by-step instructions.

Yes, I'm really going to tell you for free. You'll begin learning about contracts in Chapter Three, Contracts Make the Law. But first you'll need to learn how to answer the question "Do you have insurance?" Chapter Two, gives you some valuable tips on checking in at the Reception Desk.

## **Chapter Two**

### **The Reception Desk**

Most of the methods taught in this report are a form of paper warfare. That's only fitting, since it's paper and ink the hospitals normally use to defeat you. But the most important part is getting past the receptionist, so you can get the treatment you need.

In this chapter we're taking a break from laws and paperwork. We'll focus instead on some horse-sense and getting along.

#### **Hospitals vs. Small Offices**

Hospitals are built on bureaucracies, almost like miniature governments. You may find individual people on the service side who care about your well-being. But when it comes to the accounting departments. They'll squeeze you until you're dry.

Small doctor's offices are as proficient with their paperwork as the large hospitals. But they are often not as heartless. Regardless of how they structure their business, the doctors usually retain control over everything-- from service, to billing.

Before you adopt an adversary position with your doctor, talk to him. Tell him you have no insurance, and explain your financial situation. Ask him for a discount for cash payment. You'll be surprised how often doctors will voluntarily cut the bill by twenty-percent or more, just because you asked.

If your doctor charges \$50 for an office call, 20% amounts to a \$10 savings per visit. It may not seem like much, but it adds up. If you are really hurting financially, tell him so. It's not at all unusual for doctors to slash their bills by half. Unless you ask, you'll never know. If you make a deal with your doctor for a certain price, you should honor your contract. Don't try to use the paperwork from this report to chip more off the bill.

Also, always remember that generic medicines are much cheaper than their brand-name equivalents. When your doctor is writing prescriptions, ask him to specifically authorize generic substitutions.

#### **The Receptionist**

The things you've read up to now might tend to make you think of the hospital as an adversary. That's good thinking, and in many ways it's true. But it is important this attitude doesn't come across to the receptionist. Try to remember that she is a human being, with a life and feelings of her own. She will respond, like anyone else, to a smile and a friendly demeanor.

I know, you're going to say "If I felt like smiling, I wouldn't be at the hospital." True. But how much does it really cost you to smile and be nice? Nothing. And in the long run it can save you a bundle.

Another important thing the receptionist will respond to, is confidence. She will ask you if you have insurance. Do not lie to her. If the answer is no, then tell her "No."

She will then ask how you intend to pay. Your answer is, "Cash." Ask her how much the bill is going to

be. She'll tell you she doesn't know. But the fact that you asked, scores points in your favor. Then, depending on how serious the reason for your visit (and depending on your available finances), immediately pull either a \$50 or a \$100 bill from your pocket and say "I'd like to make a deposit now." She may take it, or not, depending on hospital policy. But you will have impressed her as someone who intends to pay his bill. Be sure you get a receipt.

## Information Collection

Once the receptionist is satisfied that you will pay the bill, she will hand you some paperwork to be filled out. Every hospital has its own forms. Each form is different, but all are pretty similar in most respects. There are always two distinct types of form, and both of them are always used in each hospital. Sometimes they are on separate pages, some are combined into a single form.

They may have various titles, but we will identify them by what they do, not what they are called. The first is the Information Collection form. The second is the Admission form. For purposes of this report, when I talk about the admission form, I am referring to the contract. We'll go over the contract in detail, in the next chapter. In this chapter, we will discuss information collection.

There is only one reason hospitals collect information from you: to protect themselves. In this context, protection means two things:

1. Limit of liability, and
2. Profits

Sure, they ask a lot of questions that make it look like they're concerned for your health and well-being. But even those questions are there mainly for liability reasons.

I don't have a problem with most of the health related questions, and you probably won't mind answering them. After all, you don't want to have the kind of problems which might cause you to want to sue the hospital. There are worse things than being broke-- like being dead, for example. But the financial questions are another matter. Those are only there to make it easier to collect a debt.

Why else would they ask for your Social Security Number (SSN), and your date of birth (DOB)? As to the DOB, you could argue that knowing your age could be relevant to your health concerns. But why then, is there also a place on the form to enter your age? Maybe they aren't good at math?

The SSN and DOB are what computer programmers refer to as a "key pair." This is because anyone who has either of the two can, using computers, easily come up with a missing third part. The SSN and the DOB give them access to all your prior health records, and your entire financial history. In many cases they can even access past criminal histories, and consumer information. Most people have no idea how much information is readily available about them, from computer databases. Most importantly it will give them positive identification, if they ever need to take you to court to settle a bill.

I recommend against giving out both the SSN, and the DOB. I also suggest you omit your middle name, or initial. If you've already given it to your local hospital, there's no way to remove it from their records. But you can still help yourself by not releasing it in the future.

I also recommend against disclosing the name, address, and phone number of your employer. Why? Have you ever had phone calls at work from a collection agent? How does that make you look to your boss? Don't you wish they'd stop calling? Who gave them your number at work anyway? You did! So stop doing it.

The same thing goes for the name and phone number for a "person to notify in case of an emergency." Have you ever wondered what constitutes an emergency to a hospital? If they haven't been paid!

I've never known of a hospital to refuse service on the basis of no SSN. Don't leave it blank, as that's an invitation for the receptionist to ask you to fill it in. Draw a line through that space on the form. Or

write “refused” in the space. In the DOB section, fill in the year, but draw a line through the month and day.

The receptionist may ask you anyway. Always be polite. This is an easy one to answer. Simply tell her that you are concerned with the recent rise in identity theft, and have stopped giving out that information.

In most cases she will not press. If she does, you can advise her of Title 5, United States Code Annotated 552(a), which is also known as the Privacy Act, and which states, in part:

“(a)(1) It shall be unlawful... to deny any individual any right, benefit, or privilege provided by law because of such individual's refusal to disclose his social security number.”

The law goes on to provide a \$1,000.00 fine for requiring disclosure of the SSN, unless it is to be used for only four distinct purposes. None of those purposes mentions healthcare. If you are concerned about this issue and want a little extra ammunition going in, you'll find a very effective notice at <http://www.lawfulpath.com/cat/#privacy> I've used that notice many times over the years for all sorts of instances where someone wanted my SSN.

That takes care of the most common financial questions. Some hospitals go on to ask even more brazen questions, such as how much money you make in a year, or where you do your banking. This is like asking, “How much can you afford to be fleeced for, and where do you keep your money?”

Just draw a line through these questions. The answers are not mandatory. You won't be denied service because you refused to answer. Those questions are there simply to make it easier for the hospital to collect a debt-- IF you are naive enough to answer them.

## **Why the Avoidance?**

You will remember the point of this report is to learn how to genuinely pay your healthcare expenses. So why would I give you tips on how to avoid collection?

Simple. The hospital is in business to make money. They have their own collection departments, and many will also hire collection agencies. The attorneys who set up the departments, or who own the collection agencies, understand commercial law. But their employees do not. The employees work from scripts, and lists of procedures set out by their employers. Much the same way a McDonald's employee is taught to pull the fries out of the oil when a buzzer sounds.

When you visit a hospital without insurance, you are immediately classified as a patsy. Your name is entered into a list of people to be fleeced like unsuspecting sheep. Or worse, a lamb to be lead to the slaughter. When you voluntarily surrender the financial information asked for, it is like handing them the very knife they'll use to cut your throat.

If you carefully follow the procedures outlined in this report, you will be standing on firm legal ground. But you will not be following the script which has been written to handle people in your assigned role: the patsy.

The hospital will resist your efforts to obtain their services at a fair price. They will call your home asking for payment. They will call your workplace, and whoever you may have listed to call in case of emergency. They will make it clear to whoever answers the phone that they are calling to try and collect a debt.

They may send you notices which say things like “OVERDUE,” and “PAY IMMEDIATELY, OR YOUR ACCOUNT WILL BE TURNED OVER TO COLLECTION!”

No need to worry. They are just following the script. Eventually your account will come to the attention of someone who understands commercial law.

In the meantime, how much damage can the employees of these collection departments do to you? It's

according to how much ammunition you've given them. They can't call your employer, or anyone else, if they don't have the phone number. And there is much less risk of a minor employee doing damage to your credit record, if your SSN and DOB are not readily available.

## Representation

There are two ways to approach the reception desk-- for yourself, or on behalf of someone else.

There's nothing wrong with going in as most people do, signing yourself in, and handling matters for yourself. I've done it many times. However, there's definitely a psychological advantage in dealing through a third-party representative. I've had a lot of success with acting on behalf of others, and I highly recommend it.

In our family we believe in the Biblical principle of "coverture." That means the husband and father is responsible for all other family members. He deals with the outside world in all respects. So my wife has no problem signing a "grant of powers of attorney" over to me. This gives me the power to sign the admission form, and have final say in all the decisions about treatment.

Even if you don't share our beliefs in coverture, you should strongly consider having someone you trust represent you when you check into a hospital. There are many good reasons for this:

1. Most families have a member who is best with clear, legal type thinking. That person should represent everyone but him/herself, and the second best represents the first person. This way, the clearest head is always handling things.
2. Anyone who is sick or injured is under stress. He may be in pain and/or under the influence of mind altering drugs. He should not enter into such an important contract under these circumstances.
3. During treatment the patient may be unconscious, or otherwise incompetent to make the same decisions he would make if he could. If at all possible, these decisions should be put in the hands of a trusted friend or family member, rather than a nameless hospital employee.
4. Last but not least, if you are dealing with a hospital which refuses modifications to their admission form, representation is an excellent end-run around their refusal.

Receptionists are familiar with parents signing on behalf of children. And it's not unusual for a son or daughter to sign on behalf of an elderly parent. But it is unusual for a normal functioning adult to represent another seemingly normal functioning adult.

So unusual, that maybe you don't know anyone you trust this much. If so, that's a shame. Of course it's also a social problem beyond the scope of this report.

If you use this suggestion, here are the four important things you must remember:

1. The person representing you must have a signed, notarized power-of-attorney document (POA) in his possession. The rights granted can be limited, so you're not also granting the right to sell your house and empty your bank account.
2. Notify the receptionist of the representation. Be confident, and act as though it is the most natural thing in the world. It won't seem as odd to her, if it doesn't seem odd to you.
3. Suggest to the receptionist that she make a copy of the POA.
4. The patient **MUST NOT** sign **ANYTHING**. This is important. The receptionist will almost certainly try to get the patient to sign, in spite of the notice of representation. The patient must politely refuse, saying "This person has the exclusive power to sign for me. I have no power to contract."
5. The patient may even be assaulted by additional hospital staff, who insist the patient really must sign. I've always been able to persistently refuse until they give up. If you are not as strong willed as I, and it looks like you really won't get treatment without the patient signing, then have

the patient do this: **Above** the place where the patient is about to sign, write “Without agreement or capacity to contract.” and then **below** the signature, write “non-assumpsit.” The latter is Latin for “no agreement.” Now go ahead and sign, it doesn't matter. The hospital now has something which appears to be a signature, but has none of the legal substance which can obligate the patient to anything. This tactic should be used as a last, not a first resort.

The key feature of the POA I use, which is different from any other you'll ever see, is this: The powers granted only allow the representative to obligate the patient to pay for valid charges, subject to Blue Cross Blue Shield's schedule of fees. You'll learn more about this limitation in the next chapter.

Appendix A-3 (included only with the complete, paid version of this report) contains a sample Grant of Powers of Attorney form.

When you sign as a representative of another, you sign your own name. Then you print the following beneath your signature:

[Your name] as attorney-in-fact for [Patient's name], pursuant to Grant of Powers of Attorney dated [date of POA].

This statement is important because it qualifies (limits) your signature to the powers specifically granted in the POA.

It is important that the hospital be given an opportunity to make a copy of the POA. They will likely insist on it, but it is just as important to you. The reason for this is so that they can't claim later to have the authority to bill you more than they'd bill BCBS. Having a copy of the document in their own files, proves they had notice.

Once you've been admitted for treatment, your representative should accompany you and stay with you as much as possible. In my experience, most hospital employees will recognize the authority of the representative. Some may need to be reminded.

When one of our children was born we had an interesting experience. My wife had arrived at the hospital before me, as I was several hours away when she went into labor.

Of course, they put admission forms in her hand while she was being wheeled into a room. She verbally put them on notice that her husband would have to sign, and that she had no power to contract. They said, “That's okay, please just sign the forms anyway,” which she did, using the qualifications I outlined in paragraph #5 above.

When I arrived, I immediately put them on notice that I was “attorney-in-fact” for my wife, and that anything she may have signed was not binding. They asked for a power-of-attorney, which I handed them, instructing them to make a copy and return the original. Interestingly, they didn't ask me to sign anything at that time.

After our baby was born, and my wife was resting, a hospital staffer came in and asked my wife to sign papers for birth certificate, social security, etc. She reminded them that if anything needed to be signed, then I would have to be the one to do it. I looked over the papers. The one right on top authorized the local department of social services to have access to all our medical records, and granted rights to supervise care of the baby. I'm not kidding about this. I was aghast! Of course I refused to sign them.

The woman went away in a huff, and in a few moments a much sterner woman appeared carrying the same papers. She told me it was State law that I had to sign the papers. I said, “If I'm required by law to sign these papers then I'll be happy to. Just show me the law, and the implementing regulation that makes me a *person* obligated by the law, and I'll be happy to oblige.” She stood there sputtering for several moments, and then spun around on her heel and left the room.

The hospital staff watched closely, and waited until I was gone from the room for a short time. Then they sent in a social worker to talk with my wife. The social worker made some small talk, and then mentioned the power-of-attorney. She asked my wife if she had really signed it willingly. Of course my

wife said she had. The social worker was shocked. She couldn't understand why, in this day and age, a woman would give such power to a man.

My wife said it was obvious the social worker was looking her over, trying to examine her for bruises, and even implied that maybe I had beaten her, to make her sign. So my wife told her, "Look, the power-of-attorney was my idea." The social worker's jaw dropped. "Why would you do such a thing?" she asked. "Because I'm in here having a baby," my wife replied. "I'm under a lot of stress. I knew the nurses might give me drugs, and that I might not be in my right mind. I knew people would be bringing documents into my room while my mind is foggy, and asking me to sign them. This way my husband, who has a clear head, can handle everything. If the roles are ever reversed, I'll do the same for him."

One last interesting thing about this visit. About twelve hours after delivery, my wife was ready to leave. We never let the baby out of our sight, so getting him was no problem-- we already had him. We told a nurse we were leaving. Now it was about 11:30 P.M., and this nurse was really resisting. Wouldn't we stay for just another hour? It suddenly became clear to me that the really important thing from the hospital's perspective was that if we stayed past midnight they could charge us for another day on the room.

In came an administrative-type woman who declared firmly that we couldn't leave yet, we hadn't been released. I said, "Really? I don't remember ever signing in." She stood there looking puzzled for a moment or two while we continued to get my wife dressed, and then she hurried off toward the reception desk.

Soon we were walking down the hall toward the front lobby. A nurse hurried up with a wheelchair for my wife. If she couldn't be stopped from leaving, at least they weren't going to risk the liability she'd break a leg in the hall. We were almost out the door, when the same administrative-woman called out to me and asked if I'd *please* step up to her desk for a moment.

She had a sheepish look on her face, as she asked if I would mind *please* signing an **admission form** before I left. It was only then that she had realized, the hospital had delivered our baby without any contract with us at all. We had not promised to pay. **We had not even waived liability!** The hospital was completely hanging out to dry. It was our local hospital, and I wanted to maintain good relations. I signed the form. Subject to certain qualifications, of course.

## **If it's the Last Thing You Do!**

You're in. There's only one thing left to do, but it's one of the most important things. If you forget this part, all else will be lost:

GET A COPY OF EVERYTHING!

The one thing which you must always do, after signing the admission form, and anything else, is to ask the receptionist to make you a copy. I cannot stress this strongly enough, so I will say it again:

GET A COPY!!

In every hospital or doctor's office I have ever visited, a copy machine was a part of the receptionist's standard equipment, so this should not be at all difficult.

Put your copy in a safe place.

In a later chapter I'll tell you what to do with your copy of the contract. You'll learn the easy way to keep good records of all your correspondence, and why you **MUST**.

## Chapter Three

### Contracts Make the Law

Before we can get into specific procedures, you'll need to understand a few things about contracts in general, and certain kinds of contracts in particular. In other words, you've got to know how you got in trouble in the first place, before you can get out. That's the topic of this chapter.

#### Law vs. Contract

The original meaning of the word "law" was the same as "oath," as in: "to give one's law" (Black's Law Dictionary, Sixth Edition). Today most people believe, without giving it much thought, that everyone is pretty-much subject to the same laws. But once-upon-a-time people commonly recognized that a man was only obligated by those things to which, or people to whom he had given his oath.

This is one of many principles which make up the foundation of modern commercial law. An oath is a promise, and a contract is a mutual promise between two or more people. **The contract makes the law.**

From the time we were children, we have learned to get through life by following rules. For example, nearly everyone has either played or watched a game of softball. The game is played all over the world, by many different kinds of people. Softball is played by a set of rules. But if you travel half-way around the world, you may find the rules are not always the same. The locals have arrived at a set of rules by mutual agreement. They may or may not be the same ones used in your home town.

Most laws are the same way. They are different, depending on which country, state, or municipality you call home. One important exception is commercial law. There are more similarities in commercial law than other kinds of law. This is because the very nature of commerce has always been trade between different peoples. That means once you learn to correctly apply commercial law in one part of the world, or with certain kinds of transactions, you'll be more likely to get it right in other instances.

One thing you'll find about commercial law that rarely changes, is respect for the terms of a contract. That's why the volume of commercial laws doesn't need to be as large, or as varied as other types of law. With each transaction, the individual parties make their own law when they enter into the contract. The framers of the U.S. Constitution recognized the importance of respecting commercial law when they wrote the following in Article 1, Section 10:

"No State shall enter into any Treaty, Alliance, or Confederation... or Law impairing the Obligation of Contracts"

#### Essence of a Valid Contract

Contracts are agreements, or promises made between two or more people. When people get together and agree on something, particularly if they write it down on paper, it is said that they have "entered into a contract." Each person who made a promise to the other(s) is called a "party" to the contract.

Here, in part, is the definition from Black's Law Dictionary:

**"Contract.** An agreement between two or more persons which creates an obligation to do or not to do a particular thing... [A contract] is a promise or a set of promises for the breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a duty."

Another word for promise is "oath." Most oaths can be said to be contracts, since an oath is rarely given by one man, except in exchange of some duty or obligation promised by another man. Oaths can be made orally, or in writing. An oral contract is just as valid as a written one, especially if there are witnesses. In fact the written contract is really nothing more than a witness of what the parties have agreed.

The important thing to realize about contracts is that they obligate people to certain duties. When all the parties perform their duties as agreed, the contract is said to be satisfied. If one party breaks his promise, and does not perform his promised duties, he is said to be in breach of contract.

When most people think of contracts, they are thinking of *express contracts*. An express contract is one in which the parties knowingly made promises. It is best described as a *meeting of the minds*. In fact, before an express contract can be valid, it must contain **all** of the following elements-- if any one is missing, then the contract is considered voidable:

- Knowingly. Each party must be aware that he entered into the contract; he took a positive action.
- Intelligently. Each party understood all the terms of the contract at the time of entering into it.
- Voluntarily. Each party entered into the contract of his own free will.

Many otherwise knowledgeable people believe that some contracts, such as land deeds for instance, must be notarized to be valid. This is not true. Documents are said to be notarized when they are signed by a person called a Notary Public (often shortened to Notary). A Notary Public is merely someone appointed by the courts to be an official witness. Government records offices may require that contracts be notarized before they can be recorded within their records system. However, recording a contract is merely another form of witness, and has no bearing on whether or not a contract is valid.

There is one more important group of contracts we should touch on, before we continue: the implied contract.

You almost never hear about implied contracts, except when a court judgment is involved. An implied contract is something a judge will sometimes declare was in existence between two or more people, when at least one of them acted in such a way that (in the judge's opinion) somebody else had a reasonable expectation of a duty. Here's a lame, but useful example off the top of my head, just so you get the general idea:

Let's say you walk up to where a shoeshine boy has been shining shoes regularly. He's not there at the moment, so you sit down in his chair. A few minutes later he comes back, and without a word exchanged between either of you, he shines your shoes. When he's done, he asks for payment. You refuse, on the basis there was no contract. He sues, and the judge agrees you are obligated to pay because there was an implied contract. The judge does this out of a principle called *equity*, because shining shoes is the boy's business, and any reasonable man would have known that he expected to be paid for his labor.

The key to recognizing an implied contract is that it does not rely on an agreement between the parties, but instead on a judge's opinion. For purposes of dealing with hospitals, you probably would only come across implied contracts if you (or someone you know) was in an accident, taken while unconscious to a hospital, and treated without anyone's consent. You would deal with this in the same manner as when I show readers how to handle bills that you incurred prior to having read this report. We'll touch on this topic in a later chapter.

## How Obligations Begin

The example I gave above, of an implied contract, shows one way in which an obligation can be taken on-- one person provides a service, with a reasonable expectation of being paid; the other person receives that service, and knows or should know that the service comes with strings attached. More commonly though, obligations are taken on through express contracts. In other words, actual, conscious agreements.

You've already learned that oral contracts are valid. That means you can become obligated to perform a duty because you made a verbal promise. But oral contracts are usually not a very good idea. There is an old saying that bears repeating: *The palest ink is stronger than the sharpest memory.*

It's amazing how easy it is to become a party to an express contract. Here's an example of a contract that doesn't require anyone to sign:

Notice: I am not an attorney, and this work is not to be construed as legal advice. You and you alone are responsible for any and all of your actions, and if you read any further into these reports you must agree to hold me, the author, harmless from any liability resulting therefrom. This material contains the opinions of the author, and is offered without any warranty of any kind.

You've just been given notice. You're not obligated to anything yet. But If you read any further, you've entered into a contract. Keep that in mind as (or if) you continue reading. My "Notice" contains an offer. If you are still reading this, you accepted that offer. That means you are a party to an express contract. And you didn't sign anything!

Most express contracts are made in writing. They have specific terms and conditions which have been set down on paper. Usually all the parties sign their names to the contract, as a form of witness, to indicate they have agreed to all the terms. When all the parties sign, the contract is said to be "bilateral."

However, it is not necessary to sign a contract, even a written contract, to become an obligated party. There are many common contracts in which only one party signs. This is called "unilateral." Black's Law Dictionary describes unilateral contracts pretty plainly:

"...Essence of a unilateral contract is that neither party is bound until the promisee accepts the offer by performing the proposed act."

A common example of a unilateral contract is the *hospital admission form*. Only the patient (promisor) signs this form; the hospital (promisee) never signs. However the contract is just as valid without the hospital's signature. The big difference is, that it is not valid right away, but only after the hospital performs some sort of service for you. The performance of a service, after you have signed their contract, is evidence that they have accepted the contract. Then, and only then, is it binding on both parties.

A nurse weighs you, or takes your blood pressure, and you know the form has become a contract. It may seem I'm belaboring the point. But I want to make it absolutely clear that both parties, the patient and the hospital, are parties to the contract. Both have duties and rights, according to the contract, and according to recognized law.

## Why Hospital Contracts Fail the Test

From all outward appearances, the *hospital admission form* seems to be a valid contract. That is, until you stop looking at the form, and look instead at the *substance* of the contract.

Here's where my experience with oil and gas contracts gives me an edge. I've learned that things are not always what they seem. For instance, just because a real estate deed says "Warranty Deed" in the title, doesn't mean it really contains a warranty clause. And the courts have repeatedly maintained that "what a thing is, is judged by what it does, not what it's called."

In most parts of the world, it is common and accepted to haggle over the price for everything. Not so, in the United States. Americans buy their toaster-ovens at Walmart, and their washing machines at Sears. We're taught, for the most part, that whatever price is marked on the shelf is what the item will cost. Any negotiation is pointless. Most of the time that's not so bad. It makes life easier for everyone. Also more expensive, but we don't care about that. Americans are rich, right?

I know for a fact it's possible to negotiate prices with Sears and Walmart-- I've done it. Hardly anyone ever will, and I'm not saying you should. My point is simply that negotiating prices is not a bad thing, or even uncommon. But there's one thing you can count on with most any business, from department stores, to restaurants; from barbers to dry cleaners: all their prices are clearly marked. You always know how much it will cost you, before you buy.

Think for a moment about these questions:

- Would you play softball against a team from Bangladesh or Uganda, without first agreeing on the rules?
- Would you agree to buy a washing machine from Sears, if you had no idea in advance what the price would be?
- Would you pay for a pair of bluejeans at Walmart, with a blank check?

Of course not. A moment is all you need, right? Doing any of those things would be ridiculous.

Consider this: When was the last time you went into a hospital, and saw a pricelist, clearly posted, for all their services? Did anyone offer you a menu, with prices listed? Are there price-tags on the X-ray machines, the pills, or syringes? Did the doctor mention how much per-hour he was going to charge you?

The admission form clearly says you are obligated to pay, but does it anywhere tell you how much? How is signing such a contract any different from writing a blank check? Is there anything in the contract which holds the hospital to any kind of standard whatsoever? No. I've seen a lot of hospital forms, and I've never seen one which does.

So to determine what kind of contract an admission form is, we have to look at what it does. What are the typical circumstances of the parties before they enter into the contract? What is their relationship afterward?

Well, let's have a look:

- A patient typically walks into a hospital because he's sick. Or maybe his child is sick. He may be bleeding; have broken bones; or worse. If it wasn't serious, he probably wouldn't go to the hospital, so we can assume he is under some amount of stress.
- The patient is presented with a form to sign. He is given the impression (maybe even told outright) that if he doesn't sign the form, as-is, take it or leave it, then he won't be given treatment.
- Unlike a normal commercial transaction, negotiation seems out of the question. So the patient signs, even though the form contains terms and conditions he wouldn't normally agree to (such as the effective blank check mentioned above).
- The hospital accepts the form, and creates a contract by its acceptance. Hospital staff treats the patient, and then even though they know he is not as wealthy as a big insurance company (they collected financial information on the form), they charge him three times as much for their services as they accept every day from the wealthy insurance company.

If we judge this contract by what it does, instead of what it seems to be, it's not so hard to tell what we're dealing with. Black's Law Dictionary gives us the following definitions. Let's see if they look familiar:

“Adhesion contract. Standardized contract form offered to consumers of goods and services on essentially 'take it or leave it' basis without affording consumer realistic opportunity to bargain and under such conditions that consumer cannot obtain desired product or services except by acquiescing in form contract. Distinctive feature of adhesion contract is that weaker party has no realistic choice as to its terms.”

“Unconscionable contract. One which no sensible man not under delusion, duress, or in distress would make, and such as no honest and fair man would accept. A contract the terms of which are excessively unreasonable, overreaching and one-sided.”

It's almost as though hospitals used these two definitions as a step-by-step guide on how to conduct business! But here's something you'll find even more interesting. Black's continues it's definition of “adhesion contract” with this comment:

“Recognizing that these contracts are not the result of traditionally 'bargained' contracts, the trend is to relieve parties from onerous conditions imposed by such contracts.”

As I see it, the most important phrase is the part which states “... and such as no honest and fair man would accept.” In this instance, that phrase refers to the hospital. What it's saying is that if the hospital were honest, if it were acting in “good faith,” then it would not have asked you to sign such a contract in the first place.

Black's defines “good faith” in part, as follows:

“...it encompasses, among other things, an honest belief, the absence of malice and the absence of design to defraud or seek an unconscionable advantage...”

The bottom line is simply this: Hospitals take advantage of a typical condition of duress on the part of their customers. They construct an unconscionable adhesion contract, and present it to their customers in such a way and at such a time that they cannot reasonably refuse. The hospital is possibly bordering on fraud, but definitely acting in bad faith. Such actions on behalf of the hospital can easily lead to their contracts becoming “voidable.”

However, I want to make a very important distinction here. Dozens of people have said to me over the years, something to the effect of “fraud vitiates everything.” By which they mean, if someone commits fraud against you then any contract you may have had with them is automatically void, and you have no further obligation. These people say this phrase, as though it is some sort of religious mantra which can't possibly be questioned. They are just plain wrong.

If you've ever believed or repeated such a phrase, or even if you haven't, may I suggest that if you go out right now and spend fifty, or even one-hundred dollars on a good law dictionary, you will always be happy you did?

Here, in part, are the definitions for void and voidable from Black's Law Dictionary:

“**Voidable contract.** A contract that is valid, but which may be legally voided at the option of one of the parties. ...One which can be avoided (canceled) by one party because right of rescission exists as a result of some defect or illegality (e.g., fraud or incompetence).”

“**Void contract.** A contract that does not exist at law; a contract having no legal force or binding effect.”

Do you see the difference? It tells you right in the definition that fraud makes a contract voidable, not void. A contract which is voidable may be made void, but only by some positive action taken by the wronged party. Otherwise, a voidable contract is valid.

And so you see that if a knowledgeable patient handles himself properly and takes the right actions, he may make almost any hospital's contract void. Certainly, if handled properly, a patient's obligations under such a contract can be made less “onerous.” That means your bill may be reasonably reduced.

Always try to keep in mind though, that your goal should be to create and maintain a good working relationship with your local hospital. Canceling their contracts, while often possible, is not the best way to make friends. And you will want them to be friendly if you ever need them in an emergency. But when you know it's possible, and the hospital knows that you know, it puts you in a better bargaining position.

In the next chapter we'll take a closer look at an actual hospital admission form.

## Chapter Four

### Understanding Admission Forms

You've already learned that the *admission form* is the contract used by the hospital to obligate you to pay for their services. In this chapter we'll take a look at admission forms in general, and look in detail at an actual sample form.

When I really examine everything the average patient agrees to when checking into a hospital, it amazes me hospitals get any patients at all. Why do patients do it?

Most of them don't read the contract. Hospitals are large expensive buildings made of stone, steel, and glass. They employ hundreds of smart people, who come to work every day just so they can cure the sick and repair the wounded. Sick people go to the hospital all the time, and everyone signs the same form. What's to read? Such a big place might be intimidating, but they'd never put "bad" things in their admission form..... would they?

#### A Bird's-eye View

The three most important sections of all admission forms, in layman's terms, are:

- A. Patient consents to allow hospital to examine and treat him at hospital's discretion;
- B. Patient agrees to not hold hospital or staff responsible if they screw-up (waiver of liability); and
- C. Patient agrees in advance to pay whatever hospital might bill him (a blank check).

Everything else which appears in the form simply fine-tunes these three main principles. Nearly all of these contracts are completely one-sided. Some are worse than others. I've seen forms that: allow the hospital to conceal your own records from you; give consent to "experimental" treatments which erase any chance you might have had to recover damages, no matter how careless or negligent the hospital might be; allow the hospital to implant devices in your body inscribed with your Social Security number... The list goes on.

Even with the less harshly worded forms, you surrender much of your ability to make intelligent choices as to your own treatment. And no matter how bad a mistake they might make in your diagnosis or treatment, if you cannot prove either that the mistake was done intentionally, or due to gross-negligence, their liability clauses leave you no recourse.

Perhaps most importantly, when you sign one of these pre-printed forms you have written the equivalent of a blank check. You may as well give them the deed to your house to go with it.

If you agree to the terms of their offer, then you have agreed to let them do anything at all, hold them harmless no matter what happens, and charge you any amount on a whim.

#### Under the Microscope

Let's have a look at an actual admission form, taken from a real hospital. It is typical of many I've seen. Only the name of the hospital has been omitted:

## ABC Hospital General Conditions of Admission

1. **CONSENT TO HOSPITAL CARE:** Knowing that I have a condition requiring hospital care, I do hereby voluntarily consent to routine hospital care and such routine diagnostic procedure (including, but not limited to, laboratory tests and diagnostic x-rays), as deemed necessary by my physician or physicians, their assistants and designees, and as rendered by the Hospital, its employees and agents, under the general and/or special instructions of the physician. I recognize that while in the Hospital I am under the care of my physician and that hospital personnel render services to me pursuant to the instructions of my physician, I acknowledge that no guarantees have been made to me as to the result of treatments or examination in the hospital. I understand that this is a hospital that engages in medical education and that resident doctors, medical, nursing and allied health students may assist my physician in the performance of procedures/operations, as well as in other aspects of my care.
2. **NURSING CARE:** I recognize that the hospital provides general duty nursing care. However, when my physical condition warrants, and the physician requests, I may be placed in a specialized unit where critical care nursing will be provided to meet my needs.
3. **CONSENT TO USE OF BLOOD:** I consent to the administration of blood, blood plasma, or blood products if deemed necessary by my physician, with the full realization that complications (including, but not limited to hepatitis), may sometimes result inherently and unavoidably from the receipt of blood, plasma, or other products. It is understood and expressly agreed that the blood supplied in accordance with this agreement is incidental to the rendition of services and that no requirements, guarantee, or warranty of fitness or quality shall apply.
4. **CONSENT TO TESTING AND DISPOSAL OF BODY FLUIDS AND TISSUE:** In connection with certain diagnostic tests, I understand that specimens of blood, urine and other body fluids, tissues, or products, may be obtained and that tests will be performed on such fluids, tissues and products, and I consent to same. I further authorize the hospital to perform such other tests and procedures on any such body fluids and tissues or products as it deems appropriate to further medical research and knowledge, and to dispose of same when all tests and procedures have been performed.
5. **CONSENT TO HIV TESTING:** I understand that if an employee, physician, agent of the Hospital or pre-hospital care provider sustains a percutaneous (through the skin), mucous membrane (through the mouth or eye), or open wound exposure to my blood or other bodily fluids I may be tested for Human Immunodeficiency Virus (HIV) which causes Acquired Immune Deficiency Syndrome (AIDS), and/or Hepatitis infection.
6. **CONSENT TO USE OF SOCIAL SECURITY NUMBER:** I consent to have my social security number, including diagnosis if applicable, sent to the manufacturer of a medical device that will be or has been permanently implanted.
7. **SMOKING POLICY:** During your hospital stay Smoking will be strictly prohibited within and outside the hospital pursuant to the 1992 Michigan Clean Indoor Air Act. (You are asked to talk to your physician regarding alternatives for smoking.) I understand this policy and will comply with it during my hospitalization.
8. **PERSONAL VALUABLES:** The hospital shall not be responsible, or liable, for the loss or damage to any property that is not placed in the hospital safe at the time of admission.
9. **ADMISSION STATUS CHANGE:** I understand that the conditions of admission applies to inpatient or outpatient treatment. During the course of treatment my status may change and I will be advised of the change by a physician or hospital personnel.
10. **FINANCIAL AGREEMENT:** I/We hereby assume full responsibility for payment of all charges which may accrue to my/his/her account with the Hospital, up to and including any item not covered by my insurance carrier.
11. **INSURANCE RELEASE AUTHORIZATION:** I hereby authorize the release to, and the use by my insurance company and/or Medicare and Medicaid information needed in processing this claim including release of information covering treatment of drug and alcohol abuse, drug related conditions, psychiatric/psychological conditions, or infectious disease (including Human Immunodeficiency Virus - HIV, Acquired Immunodeficiency Syndrome - AIDS, or AIDS Related Complex - ARC information.) I further authorize payment direct to the Hospital, physicians, an/or radiologist and anesthesiologist of all benefits accruing to me under the terms of my certificate.
12. **INFORMATION RELEASE:** I authorize in advance that copies of my medical record and/or data may be provided upon my discharge to continuing health care providers within our community health care system and may be used for research purposes.
13. **NEWS MEDIA:** I authorize the hospital to release my name and address, condition, dates of admission/discharge to the news media.

Witnesses:

\_\_\_\_\_  
\_\_\_\_\_

Patient Signature:

\_\_\_\_\_  
Date: \_\_\_\_\_

The reason I selected this form for the example is that it contains only the contract portion; this hospital uses a separate form for information collection. And it all fits on one page, which is handy for our purposes.

A lot of things are going on in this contract that you might not expect, until you look at it closely. Since this report is mainly about hospital costs, let's go first to paragraph ten. That's the section which obligates the patient to pay:

10. FINANCIAL AGREEMENT: I/We hereby assume full responsibility for payment of all charges which may accrue to my/his/her account with the Hospital, up to and including any item not covered by my insurance carrier.

Isn't it funny how the shortest statements can sometimes cause you the most trouble? You will usually find the parts which are most important to the hospital are near the end of the contract. Most people don't read contracts before signing anyway, but in case you're a "reader," they hope your eyes have glazed over by now.

Paragraph ten simply says that you agree to be responsible for all charges which "accrue" to your account. It does not say "legitimate" charges, nor does it say anything about how they might accrue. Nothing is mentioned about your right to choose not to refuse certain treatments, or to use generic drugs instead of the more-expensive brand names.

Most importantly, there is no yardstick against which their charges are to be measured. The hospital does not publish a pricelist, available to the public. There is no requirement for an *estimate*, such as that which is required by law to be provided by auto mechanics. There isn't even a place on the contract to limit treatment to your broken leg, or strep throat. All bets are off, and there's virtually no limit to how much the hospital can pad the bill.

Would you agree to let a baker deliver as much bread as he wanted to your house, every day until he decides you have enough, without at least settling first on a price-per-loaf?

Notice the part where you agree to pay for any "item" for which your insurance company will not pay. Do you remember my prior section on disallowed treatments? For those of you who are lucky enough to have health insurance, this is where they got you.

So, now that you know you've been had, what can you do about it? That is the subject of the next chapter. For now, let's take a moment to look at the other paragraphs in this contract. Maybe there's something else in here that's not in a patient's best interest.

1. In paragraph one you consent to "routine" treatments and procedures. Who decides what is routine? Your physician, the hospital and, of course, the hospital's attorneys.

Any test, procedure, treatment, or operation which can be even remotely justified as a measure to address your complaints, may be authorized by this paragraph. Notice that nowhere are you provided with a place to write in the reason you're here, or what treatment you are seeking. This is one of the reasons the hospital often collects information on a separate page. If your health concern was printed on the contract, a court might construe that the hospital was limited in the scope of their treatment.

A heavy emphasis is given to the notion that you are "under the care of your physician." This is intended to reduce the hospital's liability, both in the case of medical errors and in the event that you object to any charges appearing on your bill.

They further dilute their liability by telling you straight-out that no one has made you any guarantees, and that many of the things done to you while you are in their care will be done by students who have not yet been certified as qualified doctors and nurses. This is also one of the

principle areas where hospitals cut costs to increase profits.

Many people get their hair cut at barber colleges to save a few bucks, but your health is a different matter. Are you willing to trust your life to uncertified students? For some things, maybe. But pay close attention to such paragraphs if your visit is for something more serious. As for savings? Any savings realized by using students will be kept by the hospital, and not passed along to the patient.

2. Paragraph two authorizes special high-cost care under certain circumstances. Who decides which circumstances qualify as "special?" The hospital, of course.

This paragraph is here because the hospital's attorneys told them that if it were not included then you might be more likely to successfully challenge the outrageous fees they get for these value-added services. The language used adds weight to the hospital's charges by leaving the choice of service quality up to the doctor, OR OTHER HOSPITAL STAFF (such as accountants?). In some cases you may not even realize that you have received these high-cost services, but you will pay for them just the same.

3. In recent years lawsuits against hospitals have prompted them to include the language you see in paragraph three. Since they have already made it clear that they are not responsible for any bad things which might happen, you could be inclined to think of this paragraph as overkill. It is included as a sort of "notice," so that you cannot later claim an injury due to tainted blood.

Do you believe for one moment, if you were an important senator or head-of-state, that the hospital would not test blood for unwanted diseases before putting it into your body? Since you are not, such a policy would cut into profits.

4. Paragraph four is a transfer of property, from you to the hospital. While things such as blood, urine, and extracted tissues such as tonsils, appendix, etc. may not seem valuable to you, they can be quite valuable to the hospital.

Notice that if the hospital "deems appropriate" it may even take this property from you for reasons not related to your medical problem, and use them for medical research. More to the point, they may sell pieces of you to other hospitals or research facilities for a profit. Do they offer you a percentage, or use this money to decrease the amount of your bill? What do you think?

If a hospital takes three tubes of blood from you, for purposes of a test which requires only one tube, do they charge you for taking all three? Yes. May they sell the other two tubes to whomever they please? Of course. That is something they would never risk without your explicit consent, which you give by way of this paragraph.

5. Paragraph five authorizes the hospital to test you for AIDS and/or hepatitis if a hospital staff-member makes a mistake, and somehow contaminates himself with your blood. Perfectly understandable. But the paragraph also allows them to bill you for a procedure which is only necessary because of an error made by a hospital employee. Who should pay for this?
6. If you read carefully, this paragraph authorizes the hospital to implant a device containing an identifying number, such as your SSN, FOR NO OTHER REASON THAN TO PERMANENTLY TAG YOU WITH AN IDENTIFYING NUMBER.

Radio-transmitters now exist which are smaller than a grain of rice, and can be injected into the body through a hypodermic needle. These devices are used for the positive identification of dogs, horses, cattle, and other animals. They are also used in humans. This paragraph authorizes the hospital to implant such a device in your body without even notifying you they did so.

If you think people should be tagged like animals so their movements can be tracked wherever they go, then you will have no problem with this paragraph.

7. Paragraph seven probably has nothing whatsoever to do with the fact that many doctors are heavily invested in the same pharmaceutical companies which produce nicotine patches. Call me a cynic.
8. Paragraph eight, once again, liability.
9. This paragraph gives the hospital, but not you, the right to make future amendments to the contract.
10. Already discussed above.
11. Paragraph eleven looks like something the hospital might have worked out with the insurance companies, in order to get the insurance companies to agree to a slightly higher rate. A sort of "you scratch my back, I'll scratch yours" clause.

If you have a drug, or psychiatric problem; AIDS, hepatitis, alcoholism, etc., and your hospital reports this to your insurance company, how long do you suppose it will be before your rates increase, or you are dropped altogether?

Without this paragraph you might be able to count on doctor/patient confidentiality. Not so, any more. Thanks to this clause, anything in your medical records can be disclosed to the insurance company. And since the insurance company works for the person who pays the premium, your employer, then your employer is entitled to full disclosure. If you have insurance through an employer who does drug-screening, information like this is important to them. This section might cause you to lose your job.

The reason most employers have anti-drug policies, is they get a discount on their insurance if they implement such a policy. See how neatly everything fits together? And it all begins with your consent, when you sign a contract with this clause in it.

I especially like the last sentence, which grants the hospital "all benefits," not just benefits to which they might actually be entitled.

12. Paragraph twelve seems harmless enough, until you think about how easy it is these days for private medical records to become public. Whose "research purposes" are we talking about here? If you have no problem with opening up your medical records to anyone who can operate an Internet web-browser, then you will see nothing wrong with this one.
13. Lucky-thirteen authorizes the hospital to give a summary of your medical records to the news-media. If you think this one is okay, then you may also be interested in some recreational property in the Florida everglades?

The purpose of this chapter was to show you why the hospital's forms are "unconscionable contracts," and get you started thinking about how you can protect yourself.

In the next chapter you'll learn how to take advantage of your new knowledge. You're about to learn how to protect yourself in the future, by making changes in the hospitals' standard admission forms.

## Chapter Five

### Contracts You Can Live With

Most people are reactive, not proactive. That's just a fancy way of saying that most people won't take preventative measures. They wait until something happens, and then react as best they can.

I know that odds are, this report would not have caught your eye unless you already have a large outstanding bill with a hospital. You, or someone you're close to. You're hoping this report will offer some relief. That doesn't make you bad, it just means you're normal.

I can teach you how to get relief from an existing bill. But first it's important to learn how to protect yourself in the future. Dealing with existing bills, for which you were not properly prepared in advance, is much more difficult than doing things right from the beginning.

This chapter shows you how to make changes in a hospital's standard contract, and turn it into a contract you can live with.

#### An Offer is Not a Contract

You learned in an earlier chapter that a contract is often described as a "meeting of the minds." I think you'll agree by now that most people, if they understood what they were doing, would never sign a standard hospital admission form. Certainly not without making a few changes.

But what can you do, when the receptionist hands you a pre-printed form? Your hands are tied, aren't they? No! Start by realizing that EVERY CONTRACT IS NEGOTIABLE.

First remember that the admission form doesn't become a contract until you have signed it, AND the hospital accepts it. When you are presented with the form, you have been made an offer. If you agree to the terms, as-is (that's what you're expected to do), then services will be provided. Your signature, on their standard, unmodified form, is merely evidence that you have accepted the hospital's offer.

Just because the hospital has gone to the trouble of printing up a form, does not mean their terms of service are set in stone. If there's something on the form you just can't live with, cross it out. If there is some condition which you must have, then add it to the form.

Any change, addition, or qualification you make to the form should be done **before** you place your signature on it. The signature should be the very last thing you do. That way, you don't get distracted. I've actually seen receptionists try to snatch a signed form away, while the patient was still writing. They'll never do that with an unsigned form.

When you make changes to their form, and sign it and present it to them, then you have made what is known as a "counter-offer." The hospital has three options: accept, refuse, or respond with a counter-offer of their own.

If you make a reasonable counter-offer, the most likely response will be acceptance. This is partly because the offer is reasonable, and partly because (at the time of this writing) few receptionists will have been trained to recognize your changes as a cause for concern.

## Financial Changes

Obviously the next question is, “What sort of changes can you get away with making?” That's probably going to vary from hospital to hospital, and may even depend on which receptionist you happen to meet on any given visit. Let's begin with the money, and then look at the other clauses.

Here's the most important change; the one you've been waiting for. Paragraph ten of the sample admission form you read in the last chapter, read as follows:

"FINANCIAL AGREEMENT: I/We hereby assume full responsibility for payment of all charges which may accrue to my/his/her account with the Hospital, up to and including any item not covered by my insurance carrier."

I would modify this clause to read as follows:

"FINANCIAL AGREEMENT: I/We hereby assume full responsibility for payment of all valid charges which may accrue to my/his/her account with the Hospital, up to and including any item not covered by my insurance carrier, subject to current Blue Cross Blue Shield schedule of fees."

I'm assuming you're sitting at a reception desk, and modifying the form by hand with a pen. The next page shows the same sample form from the last chapter, which I have modified by hand.

Look at paragraph 10. As you can see, I've inserted an inverted carat between "payment of all" and "charges," and written in the word "valid." Then I changed the period at the end of "insurance carrier" into a comma, and in the blank space between paragraphs, written in "subject to current Blue Cross Blue Shield schedule of fees."

Some forms might not have enough white-space between paragraphs to write in anything. In that case, put in the carat, and as close as possible to that point write a number, and circle it. #1 for the first change, #2 for the second, and so on. Then go to a place on the form where you have room, and write your changes in like this:

#1. Paragraph 10: add the word "valid" at the carat.

#2. Paragraph 10: sentence continues: "subject to current Blue Cross Blue Shield schedule of fees."

Do you see what these changes accomplish?

Adding the word “valid” limits the hospital to charging you only for the treatments or services you actually received. “What,” you say, “my hospital would never charge me for anything I didn't receive!” Really? I've seen many fraudulent charges appear on bills.

My wife and I have four children. We've learned from experience, there's no such thing as a “freebie” in the hospital. That little baby-bed cart with the heat lamp that keeps baby warm? \$150-to-\$200 per day. We don't use it. Mom's chest is warmer anyway, and helps the baby bond with his mother. Mom's tired, or out-of-it? Dad's chest works just as well. And why pay \$8 a diaper, when you can buy two-dozen for the same price? You know you're going to use them. Bring your own along. Same thing for aspirin, if Dad gets a headache while waiting for his little miracle. Ten-cents if you bring your own. \$5 if you ask a nurse for one.

Every time, without fail, a nurse will wheel in the cart with diapers, wipes, etc., and the above-mentioned baby-bed cart. Every time, I tell them to wheel it right back out, because we're not going to use any of that stuff. Every time, they say “We'll just leave it here in case you need it.” Every time, we reply “You may as well take it, because we're not going to use it, and we won't pay for any of it either.” Every time, they leave it anyway, and every time it all appears on the bill, even though we didn't use it. And each time I ultimately get it knocked off the bill, because I wrote the word “valid” into their contract.

By the way, there are usually a dozen diapers on the cart. If you don't heed my advice to bring your own, you may think “I'll just use one or two anyway, and I can afford that.” No way. Unless you're very careful, you'll be charged for all of them, whether you use them or not.

ABC Hospital  
 General Conditions of Admission

1. **CONSENT TO HOSPITAL CARE:** Knowing that I have a condition requiring hospital care, I do hereby voluntarily consent to routine hospital care and such routine diagnostic procedure (including, but not limited to, laboratory tests and diagnostic x-rays), as deemed necessary by my physician or physicians, their assistants and designees, and as rendered by the Hospital, its employees and agents, under the general and/or special instructions of the physician. I recognize that while in the Hospital I am under the care of my physician and that hospital personnel render services to me pursuant to the instructions of my physician, I acknowledge that no guarantees have been made to me as to the result of treatments or examination in the hospital. I understand that this is a hospital that engages in medical education and that resident doctors, medical, nursing and allied health students may assist my physician in the performance of procedures/operations, as well as in other aspects of my care. *I reserve the right to refuse any treatment, and to full access to all my records.*
2. **NURSING CARE:** I recognize that the hospital provides general duty nursing care. However, when my physical condition warrants, and the physician requests, I may be placed in a specialized unit where critical care nursing will be provided to meet my needs, *only upon my express written permission.*
3. **CONSENT TO USE OF BLOOD:** I consent ~~to~~ to the administration of blood, blood plasma, or blood products if deemed necessary by my physician, with the full realization that complications (including, but not limited to hepatitis), may sometimes result inherently and unavoidably from the receipt of blood, plasma, or other products. It is understood and expressly agreed that the blood supplied in accordance with this agreement is incidental to the rendition of services and that no requirements, guarantee, or warranty of fitness or quality shall apply. *\* consent withheld unless expressly authorized.*
4. **CONSENT TO TESTING AND DISPOSAL OF BODY FLUIDS AND TISSUE:** In connection with certain diagnostic tests, I understand that specimens of blood, urine and other body fluids, tissues, or products, may be obtained and that tests will be performed on such fluids, tissues and products, and I consent to same. I further authorize the hospital ~~to perform such other tests and procedures on any such body fluids and tissues or products as it deems appropriate to further medical research and knowledge, and to dispose of same when all tests and procedures have been performed.~~
5. **CONSENT TO HIV TESTING:** I understand that if an employee, physician, agent of the Hospital or pre-hospital care provider sustains a percutaneous (through the skin), mucous membrane (through the mouth or eye), or open wound exposure to my blood or other bodily fluids I may be tested for Human Immunodeficiency Virus (HIV) which causes Acquired Immune Deficiency Syndrome (AIDS), and/or Hepatitis infection, *at Hospital expense.*
6. ~~**CONSENT TO USE OF SOCIAL SECURITY NUMBER:** I consent to have my social security number, including diagnosis if applicable, sent to the manufacturer of a medical device that will be or has been permanently implanted.~~
7. **SMOKING POLICY:** During your hospital stay Smoking will be strictly prohibited within ~~and outside~~ the hospital pursuant to the 1992 Michigan Clean Indoor Air Act. (You are asked to talk to your physician regarding alternatives for smoking.) I understand this policy and will comply with it during my hospitalization.
8. **PERSONAL VALUABLES:** The hospital shall not be responsible, or liable, for the loss or damage to any property that is not placed in the hospital safe at the time of admission.
9. **ADMISSION STATUS CHANGE:** I understand that the conditions of admission applies to inpatient or outpatient treatment. During the course of treatment my status may change and I will be advised of the change by a physician or hospital personnel, *subject to mutual consent.*
10. **FINANCIAL AGREEMENT:** I/We hereby assume full responsibility for payment of all <sup>valid</sup> charges which may accrue to my/his/her account with the Hospital, up to and including any item not covered by my insurance carrier, *subject to current Blue Cross Blue Shield schedule of fees.*
11. **INSURANCE RELEASE AUTHORIZATION:** I hereby authorize the release to, and the use by my insurance company ~~and/or Medicare and Medicaid information needed in processing this claim including release of information covering treatment of drug and alcohol abuse, drug-related conditions, psychiatric/psychological conditions, or infectious disease (including Human Immunodeficiency Virus - HIV, Acquired Immunodeficiency Syndrome - AIDS, or AIDS-Related Complex - ARC information.)~~ I further authorize payment direct to the Hospital, physicians, an/or radiologist and anesthetist of all benefits accruing to me under the terms of my certificate.
12. ~~**INFORMATION RELEASE:** I authorize in advance that copies of my medical record and/or data may be provided upon my discharge to continuing health care providers within our community health care system and may be used for research purposes.~~
13. **NEWS MEDIA:** I authorize the hospital to release my name and address, condition, dates of admission/discharge ~~to the news media.~~ *12. The Hospital shall give me prior written notice of any non-licensed doctor or nurse who takes an active part in my treatment.*

Witnesses:

Patient Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Signature of Guardian: \_\_\_\_\_ Date: \_\_\_\_\_

Normally the burden of proof is upon the patient to show that he should not have to pay a given charge appearing on his bill. Placing a restriction in the contract that you will pay only "valid" charges helps shift the burden of proof toward the hospital to show that you actually received a service, and that the service was actually a required or recommended part of your treatment. Congratulations, you now have the same power of line-item review over invoices that is enjoyed by the large insurance companies!

Adding the phrase "subject to current Blue Cross Blue Shield schedule of fees" was the brainstorm which got me started on this whole line of study. It is the central idea, from which all the other ideas in this report began.

Remember, it is not important that you use Blue Cross Blue Shield (BCBS). BCBS is a registered tradename, and I do not intend any prejudice toward them, nor do I have any affiliation with them. Any insurance company will work just as well. I simply write their name into contracts because they are one of the most well-known, widely accepted insurance companies in America. And since I used to buy their insurance, I am vaguely familiar with the rate of discount they usually get from hospitals. It works well for me.

The point is that I name a specific company. By doing so, I am defining the yardstick by which all charges will be measured. If the hospital bills me \$5 for an aspirin, but has agreed to accept \$1.00 from BCBS as payment in full, then putting this clause in the contract means the hospital has to accept \$1.00 from me too. One dollar is still a terrible price to pay for an aspirin, but it sure beats five.

Lastly, I've noticed a strange psychological phenomenon. Even when you have just told a receptionist you do not have insurance, you will often notice that seeing the words "Blue Cross Blue Shield" on your contract has an unexplainable calming effect on her. Don't ask me why, I'm just reporting what I've seen.

In the scant seconds it has taken you to write those words, you have taken advantage of years of negotiations, and the expenditure of untold thousands of dollars which have been put toward arriving at the least amount the hospital will accept in exchange for their services.

## **Other Changes**

Only you can decide which changes are most important to you. Up until now, you've probably never considered that you could modify hospitals' forms at all. The sample modified form will give you some ideas.

I recommend that you do NOT make all the changes I have made on the sample form. I've made this modified form to show you examples of how to modify a form, and what kind of language to use. But you should only make those changes which are very important to YOU.

It's important to note that the more changes you try to make, the less your odds of getting the contract accepted without a hassle. So depending on your circumstances, you may elect to only go for the financial clause. Do not bother to argue points which will not matter at the time, and which will only cause you difficulty.

As you're reading the sample modified form, remember that a meeting of the minds often involves compromise. In my experience there are many clauses which the hospital will live without, but some will make them dig in their heels. For example, getting a hospital to accept any liability is pretty tough. On the other hand, the disclosure of information paragraphs such as the one in paragraph 13, can usually be stricken without even raising an eyebrow.

If you do not try to change too much, you will usually have few, if any problems. Unless something about your signed form looks too far out of the ordinary, the receptionist will almost always process it the same as though you had made no changes at all.

Consideration should always be given to how urgent is your need for immediate medical attention. If you are standing in the emergency room with blood spurting from a stump where your right arm use to be,

then you will probably not make as many changes as you would if you visit your family doctor for a case of the sniffles.

When you've made the changes you think are necessary, sign and date the form, and hand it to the receptionist. You have just made a counteroffer. As soon as a nurse puts you on a scale, or takes your temperature, you've got yourself a contract.

If you do have insurance, then you will continue to enjoy BCBS's negotiated price for any services which, in your case, BCBS will not cover. At worst, you will only be held responsible for the amount that "would have been" allowable, if you had been covered for that service. You may in fact be able to remove those charges from your bill entirely, since if your insurance carrier will not cover them, the charges may not be valid.

If you have an insurance carrier other than BCBS, then you can instead write the name of your carrier in place of BCBS. Or, if you think that BCBS might have negotiated a better deal than your carrier, which is often the case, then use BCBS anyway. It's not important that you have an account with BCBS, or that you ever had one.

The important thing is that you have tied your charges to an established standard which the hospital has already agreed to accept from another party.

## **What If They Refuse?**

I remember an interesting reaction once, when I presented a receptionist with a modified form. She accepted the form without question, until I asked for a copy. This is usually not a problem. But this time she disappeared for almost fifteen minutes. When she returned, she said she could not accept any modifications to their standard form.

I immediately smelled fraud. The implication was that they could later claim to have "lost" or "misplaced" my contract, and claim they *never* accept modified contracts. I told the woman this, but she seemed unmoved.

So I said to her, "My wife is here for treatment of a potentially life-threatening problem. Are you telling me that you will refuse her treatment if I do not sign this form as-is?" The receptionist replied, "Yes, that's what I'm telling you." "Fine," I said.

I signed the form, but above my signature I wrote "non-assumpsit." This is Latin for "no agreement." The receptionist looked at my signature, and asked "what does this mean?" I said, "It qualifies my signature. By the way, I'll still need a copy of that."

She considered what I'd said for a moment, and then made my copy. From my experience of many times using a "qualified signature," I presume she thought I meant I'd somehow added quality to my signature. Here, in part, is Black's definition:

"Qualify. ...to limit; to modify, to restrict."

By qualifying my signature with non-assumpsit, I had modified it in the most restrictive possible way-- clearly stating I did not agree. The hospital was left in a much worse position than the original modifications I had proposed. Now they had no contract at all.

Not only was I not obligated to pay, but they were completely unprotected from liability-- a hospital's worst nightmare. But the qualified signature alone was not enough.

Immediately when I got home, I drafted a letter giving the hospital notice of the status of the contract. I also offered reasonable terms. This included favorable financial terms, and also my offer to agree with their waiver-of-liability clauses. Needless to say, this turned into my quickest settlement ever.

Appendix A-2 (part of the complete paid version of this report), shows a sample letter you can use if this ever happens to you.

I've never had the occasion to use this a second time, nor has anyone else I've known. For all I know, the incident was reported in a national hospital newsletter, and they all know better now. Who's to say?

It's possible you might run across a receptionist who also refuses to accept your "non-assumpsit" qualification. In that case, you should use "under duress." If that's refused too, use "TDC." Then, when using Letter A-2, replace "non-assumpsit" with whatever term you actually used. I prefer non-assumpsit because it is potentially the most restrictive.

If you've tried all three, and are still refused, it's still no problem. In this case, you may still use Letter A-2, but with this additional paragraph:

"Notice is given that I attempted to sign the form with the qualification 'non-assumpsit,' and was refused. Then I tried the qualification 'under duress,' but was also refused. Upon being also refused for qualifying with 'TDC,' which means 'threat, duress, coercion,' I signed the contract without qualification. However, it was clear to the receptionist by then, that I was signing under duress. Such notice to your agent is sufficient to create the presumption of a voidable contract."

Obviously, if one of the qualifications is accepted, just shorten the above paragraph to whatever point it correctly applies.

When I originally contemplated sharing this information, I was worried that once all the hospitals got wise to my method, it wouldn't work any more. But as I delved more deeply into the subject, I realized it's okay for the hospital to refuse. As long as they continue to use an unconscionable contract, you will be able to hold their feet to the fire.

They will either decide to change their ways, or else they'll play the odds and figure that only a small percentage of the 43.6 million Americans without health insurance will read and use this report. If they change, and start offering a fair contract, that will be good for everyone. But it will cut into hospital profits. I'm betting they'll choose the latter.

The tragedy is that with uninsured prices so high, a very large percentage of uninsured patients default payment. Of course this has consequences far beyond the hospital not getting paid. The patient's credit record is usually destroyed, and the patient may even lose his home, or be forced into bankruptcy.

I believe hospitals would actually make more money if they charged fair prices. But the insurance companies would lose, because more people could afford to self-insure. Thus the conspiracy between the hospitals and the insurance companies. I'm only guessing, but I'll bet there are some pretty big kickbacks going to hospital administrators, to keep this scam going.

In the next chapter I'll discuss methods for discounting current bills, which you might have incurred before finding out about this report.

## Unashamed Sales Letter

Now you know it's really possible. You really can:

- Get medical care, even without insurance.
- Negotiate discounts on medical bills, without ever speaking to a single person.
- Pay half-price or less for future medical expenses.
- Stop collection agents dead in their tracks.
- Do all of the above without ruining your credit rating.

It's one of the most rare and difficult accomplishments for any author: to write something so important that even a small percentage of readers will change their habits for the rest of their lives, because of what they read. But I know I've done it. Without fail, every single person who has read this free report and later visits a hospital, will make changes to their admission form. That includes you.

Whether you have health insurance or not, and whether or not you ever have insurance in the future, you are now in a much more secure position regarding healthcare than ever before in your life. Only one problem remains:

### **When the next hospital bill comes, what will you do?**

Do you have an outstanding bill now? Most people who read this report do. You've learned how to discount future bills, but what about current ones? And what about that next visit to the hospital?

You filled out your admission contract, and you were accepted for treatment. Now you've been home for about ten days, and the first bill arrives in the mail. Does it list an easy to read table of charges? Does it contain any reference to a BCBS schedule of fees? Of course not. It **does demand** a whopping lot of money though.

Even if you were a major insurance company, this first bill would show the maximum charge for every service. And the list of services is purposely made hard to read, because you're not expected to challenge any of the charges.

### **Think Like an Insurance Company**

This is where you must begin to think like an insurance company, instead of a patient. The only difference is that insurance companies know the game, and you don't. At least you didn't, until you found this report.

Even though you probably can't read and understand all the charges on the list, an insurance company can. They have a number-code for every one. They expect the hospital to slide in a few items that probably shouldn't be there. Hospitals do it all the time. This is the insurance companies' business, and they can quickly tell when they're being scammed. You can't.

For each of the charges on this bill, an insurance company has a schedule which shows the already agreed-upon price the hospital is willing to accept. You don't know what those prices are. If you were

were an insurance company with a prior rate-agreement, here's what you'd do when you received that first bill:

1. Look over the bill, and disallow any charges that don't belong there;
2. Compare each charge with your schedule, and replace the amount charged with the correct price agreed to by contract;
3. Send a check for the revised amount.

You've followed my methods up to this point, and the hospital is obligated by contract to give you the discounted rate. That means they'll honor the contract, right? Wrong!

I'm telling you right now, in no uncertain terms, that unless you know how to hold their feet to the fire, they are not going to do it. Most hospitals will resist giving you even a dime's worth of discount, with every last fiber of their corporate beings. Some of them, knowing how strong your case is, will offer you a paltry 10% discount if you'll pay promptly, as a "courtesy to uninsured patients."

Either way, they'll follow up with the implied threat of what will happen if you don't pay. They will use commercial law process to lead you into that cattle chute, and rush you along with an electric cattle-prod until you have no choice but to pay the full amount anyway.

You will have no wiggle room-- unless you learn how to turn the tables.

The complete, paid version of this report leads you through every step. You'll learn how to apply my methods to your existing medical bills, and how to force the hospital to honor their contracts, whether they like it or not.

With my letters in your pocket, hospitals will treat you with respect, and collection agents will run from you like a pack of frightened puppies, yipping and soiling themselves along the way.

## **Where to Go From Here**

You have choices.

- You can choose not to modify your admission forms. You know you'll pay 300% more for your healthcare, but you prefer to go through life in anger and bitterness. Besides, you didn't have any use for the thousands of dollars you would have saved anyway.
- You can spend the next nine years testing letters of your own. You'll make mistakes, and when you do, you'll pay big. But take heart-- trial and error, and enough intensive study of commercial law, will eventually win the day. You're already starting out smarter than I did nine years ago. Maybe you can do it in seven.
- You can skip all the grief and expense, and buy my complete report.

A key feature to the complete report is the two flowcharts, one for hospitals and one for collection agencies, which clearly show which letter to send in any given situation.

Another feature is the Phone Script, which shows you how to put an end to those aggravating phone calls from collectors.

The easy way is cheap by comparison, and a whole lot less trouble. The complete paid version of this report is only \$49.95. You can pay with a credit card, and download it in Adobe Acrobat PDF format. In ten minutes or less, you can have it all.

Just click this link: <http://lawfulpath.com/freerpt/sh/order.php?track=1204>

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--Gregory Allan