

# What's Really Happening with Medical Costs?

by Terry Schurter



## **What's Really Happening with Medical Costs?**

(The case of the \$2000 pimple)

I had a bump on my head. It had been there for quite awhile, close to two years as best I recall, and had gradually increased in size during that time.

It was over my right temple, just in front of my ear. By hiding under cover of my sideburn, it had been easy to ignore, but that changed.

In a matter of days, it became much larger, red and sore.

I had to deal with it – and I did not have insurance.

New to the area and not having established a general practitioner I headed to the “walk in clinic” in the hopes of quick resolution, and relief.

Not having insurance, I knew the aftermath (bill) would be another type of pain. What I didn't know was that I was about to enter into the twilight zone of medical costs.

The doctor at the clinic spent a couple of minutes inspecting the bump. My diagnosis: the bump was either a cyst or fatty tumor. Not a big deal except (here it comes, I thought) the location was over a nerve bundle. He could not help me. There was too great a potential of nerve damage. I needed someone with more experience. Where should I go? Well, I had no insurance, right? Best bet is to seek help at the local emergency room – and thank you for \$95 – bye, bye.

Ok, so off I go to the ER, wondering just what a cyst or fatty tumor really is, how it came to be on my head, why it decided to spring-up on top of a nerve bundle, and what is going to happen if things don't go right. Will my face droop and sag? Will my smile forever be lopsided? Or will I be stuck with a permanent frown?

The pain was still there, though no longer alone. It has been joined by a growing sense of fear.

Now being the resolute fellow I am, I deter from my ER route and head home. Having had a moment to collect my thoughts, a force more powerful than pain and fear has gripped me, the terror of what my bump may extract from me financially.

Upon arrival home, my wife dismisses my concerns, opting to stand on the health before money position and demands that I hop back into my truck and go directly to the ER. I will not. So she calls the hospital, explains the details (and that we are without insurance) and queries for a cost estimate.

"Oh, I can't imagine it costing more than two to three hundred dollars Ma'am. Tell your husband to head right in and we will take care of him."

Reassurance tucked under my right arm (and my wife on my left) I head in.

After signing in, I wait until it is my turn to enter into the process. Step 1 - basic information, here my blood pressure is checked, temperature taken and I answer a short list of questions. I pass.

Not long after step one, I enter step two. Into the belly of the beast I go, my wife beside me. She is a trooper, there to encourage and support, to help me remember important things I am told..

and to make sure I don't take a wrong turn that ends in an exit.

Step 2, part 1 – talk to the nurse. Fill in any information left out, capture all of the pertinent details. It was a breeze. Now all I have left is to wait for the doctor. It is a long wait, but I do not mind. It is a Saturday and I am in the emergency room. It is not as if I had an appointment with a prearranged date and time. Besides, my pain, fear and terror are slowly giving way to the impending relief of the bump and I having a permanent separation. I am glad to be here. I want the bump to be gone.

Finally, the doctor (at least the doctor in practice - the bona-fide doctor she works for is somewhere nearby) enters the scene.

Sharp, with a keen eye and a comfortable style she gets to the heart of things.

“It's probably a Sebaceous Cyst,” she informs me.

Egad, that sounds terrible! With a name like *that*, it must be a monstrous and potentially lethal thing that has made its home in my head!

“What's a Sebaceous Cyst?”

“It's when an oil gland gets blocked, the oil turns into sebum, a white material of cheesy consistency. Sometimes the build-up can become infected as well, which is the case is with you.”

“Hmm,” the description rolls around in my head, synapses clicking away, piecing together a picture from the massive jumble of input my brain has collected over the years. As is typical, my mind throws things into the simplest perspective and I blurt, “So is this anything like a pimple,

because that's what it sounds like?", knowing I must sound like an idiot as I realize what I have said.

"Yes, it is." She replies, "It is the same as a pimple except it is further under the skin so it does not have a "head" like a pimple."

A pimple. A really big, red, sore and infected pimple. I'm not so stupid after all!

"We need to open and drain it. I will need to make a small incision to do so."

"Ok, but hey, before we go any further, can you tell me what kind of money we're talking here? I don't have insurance and I need to know if I can afford this. I have to keep control of things, that's just the way it is."

A brief conversation ensues between the doctor and the ER staff and we are told this is a level two procedure and will cost between \$112 to \$210.

"That doesn't include the doctor's fee and any lab work," the doctor informs me.

Well that's ok, I'm feeling good. The price is lining up with what my wife was told and even though it is a lot for such a small activity, I knew coming in I would not be getting out without spending \$300 to \$500 all told, maybe even \$600.

"Let's do it."

Sparing the gory details, I will focus on the major activity and the items used to remove my bump.

Start with cleansing the area with **antiseptic**. Next is numbing of the area by injection,

including a **syringe** and the **numbing solution**. Lay down some **rags** to keep my shirt clean. Now open the **bump** with a small incision, using a **scalpel**. Follow with a lot of squeezing including **several pieces of sterile cloth** to pat the area in the process. Don't forget the little **plastic tray** to hold everything. The gathering of a tissue sample with a **little pliers** apparently happened somewhere along the way – I do not remember it. Stick a **packing** in to make sure the wound drains properly. Finally, apply a **sterile bandage** with a **piece of gauze** wrapped around my head to hold the bandage in place.

Not so bad, I thought. Antiseptic, a syringe, numbing solution (of dubious result I might add), rags, scalpel, cloth, a tray, little pliers, a packing, a bandage and gauze. It would all fit in a Snoopy lunch box with room left for dessert.

In fact, to purchase these items from medical industry suppliers my comparison shopping list came to

Antiseptic - \$2 for one ounce (add \$2).  
Syringe with needle - \$23 per 100 (add \$.23).  
Numbing solution - \$6.50 per 50cc vial (add \$13, they may have used 2)  
(not knowing for sure the rags & pads used I've added in more than were used to be sure)  
Prep Pads - \$4 per 100 (add \$.20)  
Gauze Sponges - \$6 per 200 (add \$.30)  
Stretch Gauze - \$5 per 60 yards (\$.17)  
Gloves - \$22 per 50 (\$.88)  
Carbon steel surgical blades - 100 for \$9.49 (add \$.10).

My total comes to \$16.88.

Now, to be fair as I am sure that I have missed a couple of items (like the rags and tray), I will double this number to make sure the cost is fair.

This makes my supplies total come to \$33.76. But wait, there is shipping, handling, processing, storage, etc. that must be taken into account (and rightly so). I will double it again to make sure the costs are covered.

My final supplies total is \$67.52. This is four times the amount of the real cost of the supplies I know were used for my procedure.

So I am feeling much better. The procedure is over, the bump is gone, I have a cost estimate (double-checked) I can live with, and I have validated that there was very little cost in the supplies used in the process. It did hurt, and I had a headache yet I no longer had the bump. Little did I know that the headache I had was only a faint echo of the one to come.

Yes, the bills have started coming. I just got the lab bill today, a paltry \$100. I have not heard from the doctor yet.

But the hospital, now that's where my really bad headache came into being.

The \$100 to \$200, plus change, estimate is growing. Somehow, from the ER to the billing office the level changed from 2 to 3 - add \$100.

The numbing stuff didn't work very good for the \$134 it cost, all 6 units?

The IV I didn't have cost \$77.

Central Supply, whoever they are, did or provided something for \$304.

The rest of the things on the list I either can't figure out or are things I know I did not authorize. The grand total. \$1,777.24.

That's right, \$1,777.24. Oh, I forgot, add \$100 for the follow-up (not counting the doctor) for a couple more squeezes and a band-aid.

I am now the proud ex-owner of a \$1,977.24 PIMPLE (plus doctor's fees).

I am in shock. For, at most, a couple hours of time and \$67 odd dollars of materials I am being charged \$1,877.24.

No one wants to talk about the estimate now, it's like it never happened.

The procedure was truly simple. The incision was about a quarter-inch in length, no stitches required. Once the cut was made, the rest of the procedure was squeezing my head (specifically where the bump was) to make sure it was empty (the bump, not my head). The supplies I describe are accurate and normal for this type of procedure.

We were told, upon asking, not once but twice that the ER cost would be at most a couple hundred dollars. How did it become this? How is it possible that charges of this magnitude can be placed against such a small amount of supplies and service?

*What else could we have done to avoid a situation like this?*

And if you really want something to chew on, how often do you think this is happening and how much

impact does it have on insurance rates? I shiver to think of it.

Will I pay this bill? Yes, I will. Only before I pay each line item I will require detailed reporting (when was the last time you received a common language description of the costs and services for a visit to a medical facility?). It will be understandable to a layman like myself with sufficient detail that I can verify that the goods/service were actually rendered to me, in the type and quantity specified.

Once I have verified each item and have been given justification for the associated cost, I will pay my dues.

Until then, they can keep my pimple free of charge.