

# Primary Care Cures

## Episode 124: Marshall Allen

Ron Barshop:

Welcome to the only show dedicated to a new way of delivering healthcare. This new model has no name, but let's go ahead and call it direct contracting or digital first care. The new way centers on opting out of the games bigs play with their rigged dice, their crooked game board and their purchased referees. And if you're looking for a future where everyone wins, that's the doc, the consumer, the employer, and with assured amazing outcomes and measurably lower costs that are ranging up to 60%, you're in the right place. I'm Ron Barshop, your host. I'm glad you're here. Welcome to the new healthcare economy.

Ron Barshop:

What do you get when you introduce the heart of a theology major with a boundless curiosity minor? You get Marshall Allen, today's guest. You've heard him before on this show, because he's covered the health beat better than anyone else and it's an endlessly deep beat. Yet, the stories are rare and they're covered, sadly, in the press. With the likes of ProPublica, we are now having a reliable source for well researched articles and today's guest credit, we're moving the dial on big systems transparency and their billing strategies. Marshall is an award-winning journalist, and he's been on the shortlist for the Pulitzer, and has his first book coming out this month, *Never Pay The First Bill: and Other Ways to Fight the Health Care System and Win*. Welcome, Marshall, back to the show.

Marshall Allen:

Thank you.

Ron Barshop:

So let's talk for a second about what motivated you to write this book.

Marshall Allen:

I was motivated to write this book because I get emails almost every day from patients who have engaged with the healthcare system. Not only have they been cheated and taken advantage of, but they've voiced their complaints to people, maybe it's a hospital, maybe it's a doctor, a dentist, someone else, they voiced their complaints and they've been ignored. By the time they reach me, no one's listened to them, they're completely exasperated, they've been over-billed, or they've had insurance care denied, maybe they're even in debt because of the price gouging that they've suffered, and they know something is wrong, but they don't know what to do about it, and no one will listen to them.

Marshall Allen:

As a journalist at ProPublica, we investigate the healthcare system on behalf of the public. I'm looking at every story I do from the perspective of a patient, and the people who have the most at stake in any healthcare engagement, and especially pay the highest cost when things go wrong, whether it's the quality of care or the financial cost of care, the patient ultimately bears the brunt of our dysfunctional system. I have gotten so many of these calls, and I've done so many of these stories, and I've dug into so many of these medical bills, and unfair situations for patients that I decided to write a book that didn't just show the problems and highlight the problems, but also try to give some guidance to patients about what they could do about it.

Marshall Allen:

The key part of my subtitle of my book, I mean, the book is called *Never Pay The First Bill: and Other Ways to Fight the Health Care System and Win*. The key two words there are and win, because what I'm trying to show is when patients and employers push back against the unfair nature of the medical system, it is possible for them to win. By win, I mean individual patients could save hundreds or thousands of dollars with every healthcare encounter and employers could save exponentially more. Because if all their employees could be savvier healthcare consumers, employers could save hundreds, thousands, tens of thousands, millions of dollars on their health plan, depending on the size of the employer.

Ron Barshop:

Katy Talento is the only former guest on our show who's actually come up with anything practical, I think, that makes sense, and I want to hear what your ideas are. But she says that when you're signing in, you're not only signing an admission form, but you're also signing an agreement to pay pretty much whatever the heck they want to charge you. She goes through that and she crosses out everything that says, "We'll pay anything." And she says, "I'll pay only ordinary and necessary costs up to two times Medicare or one and a half times Medicare," she says. There's nowhere for them to go with that, obviously, other than to consent, because they don't look that you're crossing things out. What are your three or four favorite strategies for getting control of this out of control problem we have?

Marshall Allen:

Well, I do recommend that one. That one, I heard that from Al Lewis over at Quizify. I think they put together a webinar and came up with that. They call it the battlefield consent for emergency room care. I do, I have that tip in the book, I think that's a really good idea. I kind of think, when it comes to billing, what I'm kind of calling the never pay pathway, first of all, the key is avoid any unnecessary care that you can avoid. If you can not be engaged in the battle that you should not be fighting to begin with, you've come out ahead and you've come out victorious. People don't realize that they estimate a quarter to a third of all healthcare is unnecessary. I spent a whole year in 2017 just going on a quest to identify all the ways our healthcare system wastes money.

Marshall Allen:

They estimate that it's maybe up to a trillion dollars a year, high hundreds of billions of dollars a year, just wasted on healthcare spending. If we could just avoid the unnecessary care, that's a great place to start. The key question that I encourage patients to ask if your doctor, or nurse

practitioner, or whatever clinician is recommending some form of treatment or medication... And obviously, this doesn't apply to emergency care, right? I mean, if you've been in an accident, you're not asking these questions, but this is the kind of elective care or scheduled care. Ask them what happens if we wait? What's the worst thing that could happen to me if we don't do this right now? Doctor, you're saying that I need this MRI right now. Well, what happens if I don't get it right now? Is something cataclysmic going to happen to me right now?

Marshall Allen:

Can we watch this issue and see what happens in three months? Do I actually need this medication or is my health going to be adversely affected if we don't take action right now? That doesn't mean that you don't get the treatment, but I think it just forces the physician or other medical provider to reframe the way they're thinking about that particular recommendation. Not let's do this, but what happens if we don't do this? Let's just change the way we think about it and let's see what happens if we don't do it right now. I think, obviously, you may still end up having that treatment done, or you may still have that test done, but you might end up saying, "Well, you know what? The risk isn't actually that high of avoiding this treatment right now." In that case, you might decide that you should wait on it. I think that's one question.

Marshall Allen:

Avoid unnecessary care by saying, "What happens if we wait?" On the medical billing side, it is hard to get prices upfront. That's a difficult thing to do, but where you can, I think it's good to get prices upfront, but let's just say that you haven't gotten the prices upfront, and you've been hit with a medical bill. I always encourage people to ask for an itemized medical bill. You wouldn't go to the grocery store, and have them combine the total for your milk, and eggs, and bread, and cheese, and the other items you buy, you wouldn't ever tolerate it if they said, "Okay, that'll be \$100," but they're not going to tell you what you paid on each item. But when we go to a hospital, typically, what people get is just a lump sum payment for all the services that someone received.

Marshall Allen:

It doesn't enable somebody to take a look at what was paid or what was charged for each of these different items. A lot of people don't realize how many errors there are in medical bills. I've talked to lots of experts and vendors who analyze medical bills for a living. They say that most medical bills have some form of error. There could be charges on there for things that never occurred. There could be upcoding, where they use a heavily weighted or a higher weighted billing code, which costs more for a service than the level of service that was actually provided. So get the itemized medical bill that details each item with the billing code. Then, you can actually look up those billing codes online, just Google them.

Marshall Allen:

It's usually a five digit CPT code, you can look that up, see if it describes the service that you actually received, and see if they're adding other services that you didn't receive, or see if they're upcoding. Then, you can check prices. Prices can be checked these days with the new executive order that came through at the beginning of this year. Hospitals have to post their prices online. So if you have those codes, you can do an apples to apples comparison. You can look at the

prices that are posted on hospital websites, again, where hospitals are complying with that new rule, because many hospitals are not, but many are. You can look up and see if you were charged a fair price, especially with what your insurance plan paid compared to other insurance plans, or compared to the cash price.

Marshall Allen:

You can see also on [fairhealthconsumer.org](http://fairhealthconsumer.org), that's another non-profit website that posts usual and customary rates that insurance companies are paying in different zip codes around the country. Look up the CPT codes and see if those prices that you were charged were fair. Those are two tips to avoid unnecessary care, to get an itemized bill, look up the billing codes, look up the prices. You can call and get prices from other places. There's lots of tips. I mean, we could go on and on, but rather than keep the soliloquy going, I think I can stop with those and see if you have any questions, or what your thoughts are about those things.

Ron Barshop:

Those are all good ones. I mean, ideally, you have an employer who will adjudicate the claim for you. I had a guest, Rachel [Means 00:10:00], and her staff does that for each of their members that joined these plants. She's got almost 200,000 in Texas now, and they have full-time people who do nothing but adjudicate the claims, and make sure that they're fairly priced.

Marshall Allen:

That's awesome, that's awesome. What that shows, I mean, employers do need to get on board. I have nine chapters in this book that are devoted to employees. Then, I have three chapters that are devoted to employers, because I really believe that employers and employees need to partner together to take on this problem. I think that they are really the sleeping giant of this whole healthcare reform conversation. The employers and the employees have not yet started to really push back.

Ron Barshop:

They have, let me give you some numbers that I think... There's no association that's measuring this, but we've had enough guests on that we can do our own head count and some of our guests are making guesstimates too, but we believe somewhere between 15 to 20 million employees are now in this direct contracting movement that is also digital first care. There's roughly 5,000 private providers, both docs and mid-levels, that are in this movement as well. So this didn't really even exist a few years ago, but it's the likes of Facebook, LinkedIn, Google, Amazon, even Apple.

Ron Barshop:

The big boys are all now starting to try this with their employees and they're getting nothing but success. The costs are dropping significantly. Hospital admissions are dropping significantly. By that, I mean 30 to 60%. Prescriptions of unnecessary meds are dropping, unnecessary tests are dropping. Everything's heading in the right direction with this movement, so it's not small, it's growing.

Marshall Allen:

I think it's still pretty small, but those numbers are great numbers. I hope it is that big. There are certainly, where it's happening, people are having a lot of success. That's why I think the winning is the key part here. I want to get that myth behind us that there's nothing we can do about this, because there's a lot we can do about it. And like you're saying, whether it's 20 million employees, or 2 million, or 5 million, however many people are in these plans that are more progressively minded, it is a growing number, and they are gaining a lot of traction.

Marshall Allen:

Those stories of success, people like Rachel Means and others, who are having success, those are the stories that I've included into my book, because we do have a blueprint that others can follow. Each chapter of my book, I've kind of tackled a different aspect of the problem. I've shown how people who are changing the way the game is played are winning by playing according to different rules. The industry has had us playing this healthcare game by the rules that it has set and those rules have been restrictive to our ability to get a fair deal. They really have been in the industries favor. Now, we have employers, and we have smart benefits consultants, and we have vendors who are saying, "We're going to do it differently, now."

Marshall Allen:

We're going to present something a lot different." I think as soon as employees realize that this is a better way to go, I think that's what's really going to flip things, because I think that will also empower more employers to get on board with these types of reforms, and it will reduce the cost of healthcare. We're not talking, of course, as you know, about worse healthcare. We're talking about better healthcare benefits out of lower price. That's kind of what I call my audacious proposal in the book. It's been, for decades, that the cost of care has gotten higher, and what's covered has gotten worse. What I'm saying is we should be paying a lot less and getting a lot more for our money. That's something that I'm saying every consumer should demand and every employer should also demand. They should work together to make it happen.

Ron Barshop:

I side step into this direct model about three or four years ago. I was one of the first in Texas to do so. My employees wouldn't leave me unless they were forced out. I have a much easier time recruiting, my absenteeism and presenteeism is all going in the right direction, but I'm paying about maybe 60% of what I paid before. I haven't talked to an insurance company in four years, plus they don't have to go to those Medicaid clinics anymore. It's terrific. I mean, when you've lived it, you know that you'd never go back again.

Marshall Allen:

Well, what's interesting, I think the movement is happening most at the blue collar and lower income levels. The places that have been the slowest to change are the white collar and higher income levels, because I think they're still captured by the myth that you have to have a United Healthcare stamp on your insurance card, or you have to have a Blue Cross stamp on your insurance card, and they don't realize that they're just paying more than they should for the same thing that could be obtained at a much lower price. I think they also don't realize that this is all their compensation, as employees, that's being spent on all this overpriced healthcare.

Marshall Allen:

One of the main points that I try and make is that we need to change the way we talk about who is paying for our healthcare benefits. If you're in an employer sponsored health plan, the employer is funding the health plan, obviously. That money is generated by the employer, but that's funded to the employee as employee compensation. The money that's being spent on employer sponsored healthcare benefits is 100% employee compensation. That is then divided into their wages and to their benefits, maybe retirement plans, some sick time. Those healthcare benefits are part of that overall compensation package. If employees really understood that when their healthcare costs go up, it's their compensation that's paying for it, and the employer is funding their compensation, and so if the healthcare costs continue to rise unabated, that leaves less money to give them pay increases.

Marshall Allen:

If you look at the economic studies that have been done about how rising healthcare costs affect employee wages, what you see is that employee wages have been stagnant for decades, largely because employee compensation has been dedicated to rising healthcare costs. We need to stop saying employers pay for health care, employee compensation pays for healthcare. It is funded by employers, so obviously, employers are footing the bill, but I think employees need to understand that it's not like, oh, I met my deductible, so now all my healthcare is free. Or it's not like, oh, my health insurance covered it and so I can do whatever I want and it doesn't matter.

Marshall Allen:

Obviously, you need to get the care that you need, but what you need to do is get the best deal, because whether you pay for it out of pocket now, because you're on a high deductible plan, or whether you pay for it because your insurance premium goes up by 10% again next year, you're going to be paying for it, now or later. I think employees don't really understand that. They haven't really been able to get on board with some of these more creative, disruptive approaches to benefits.

Ron Barshop:

Well, here's what I worry about with books like yours, is that you are going to need this book at the moment of your highest stress, at your highest point of distress, physically and financially, and you're not going to know to buy the book because you're going to be immersed in this problem, this medical problem, with you or your family member. You could give somebody a PhD, and have them memorize every chapter in the book, and they're not going to need it for weeks, months, years. I mean, while it's going to be a good read, I think most people are going to forget every one of your suggestions, because 1% of their life is the time they're going to need it, and they never know when that's going to be.

Marshall Allen:

I think that's always a possibility. First of all, let's be real, most people don't read books. You have that problem to begin with when you try and communicate with a book. A couple of thoughts about that. One is that even if a small percentage of people do apply the things in the book, let's say there are 155 million people in employer sponsored plans, and let's say there are 30 million people who are also uninsured. Let's just say the pool is about 180 million Americans

who are in this situation, where they're paying a lot more than they should for health care, and it's really hurting them financially. If even 1% of that population were to push back, and get informed, and take on the industry, and get an itemized bill, and push back when they're being overcharged... In fact, I have a whole chapter speaking of methods.

Marshall Allen:

I think that employees or consumers should be suing in small claims court when they're being price gouged and taken advantage of. I've been talking to more and more patient advocates, and I've featured a lot of stories of patients who have done this, and they're having a lot of success. I'll tell you, even I've been helping some of my friends, or just people who have been emailing me, work through their medical bills lately. There's a friend of mine at my church, his wife went to the dentist, and the dentist overcharged them on their credit card by about \$400. They tried to get the dentist to resubmit the bill to the insurance plan so that the insurance would cover the charge, but the dentist refused to do that. And you know how it is when you're a consumer, you're calling the dentist, you're calling the billing office.

Marshall Allen:

They might call you back. They might not, but they don't really help you at all. I told them this friend of mine, "You should really consider suing them in small claims court. If you have a legitimate case, the judicial system has been established so that consumers can use this tool to protect themselves and that's not right for them to overcharge you like that." He filed the case in small claims court, and within a few days of having the lawsuit served on the dentist, the dentist's attorney called him and they negotiated a settlement where my friend got his \$400 back. And so, we need to start creating as pain for them as they're creating for us.

Marshall Allen:

I mean that in the most fair, kind way, but it's not right for them to overcharge us for them to expect us to pay more than we should. And so we need to give them the incentive to come to the table and treat us fairly, the way we should be treated. Nobody should be bullied. And American consumers have been bullied for decades by the healthcare system on the financial side, and it needs to stop, and I think it can stop if we become more assertive.

Marshall Allen:

The other thing I wanted to mention about the utility of the book, right? This is also why I'm developing a health literacy video curriculum. I've been asked by some brokers and consultants who work with employers, they said the number one problem they have is that employees are not educated about how to interact with the healthcare system. And so this one consultant asked me if I would take the book and create a series of short videos, like two to five minute, three to five minute videos on these different tactics and on these different methods and bundle it so that he could have employees go through this.

Marshall Allen:

I think it's going to end up being about 15 short videos, so let's say about an hour of content with a certification at the end, for any employee who's completed it. And also the videos are on demand. So if the consumer gets a medical bill, they can go to the video that talks about how to

analyze a medical bill. Or if they get an EOB, which EOBs can be hard to understand, even for me, right? They can go to the video that says how to look at your EOB, how to pay bills based on an EOB after you've seen that your health plan has properly adjudicated the bill, how to look up the prices to make sure that you're being charged fairly and make sure there are no fraudulent charges on your claim.

Marshall Allen:

So I think the video curriculum, which that will be kind of its own product that lives on its own, that I'll bundle with a book. And so the idea for me is to bundle the book and the curriculum together and sell that to employers so that they can really equip and inspire their employees to be empowered when they engage the healthcare system, not back down, ask the right questions of their doctors so they don't get over-treated. Again, I'm trying to think through what are the ways to communicate this so that it sticks. And also, so the information is accessible at the time someone needs it.

Ron Barshop:

Which of the stories that you've done have you had the most pride in, in terms of its impact?

Marshall Allen:

The one that comes right to mind is the story I did a couple of years ago about the young mom who had a premature baby. Three days after the baby was born, she called her insurance plan to get the put on the health plan. But what she didn't do is go through her employer's HR portal to put the baby on the health plan. So the employer wanted her to go through the portal, she called what was actually the TPA, because it was a big company with a self-funded plan. So she didn't go through the proper process to put the baby on the health plan.

Marshall Allen:

The baby spent about 90 days in the NICU and the medical bills were over \$1 million. And on day, like 33, after the baby was born, the hospital said, "Well, we're not getting these bills processed through your insurance plan." And her employer told her that she hadn't signed up properly for the health plan, and so she was going to be responsible for all those NICU bills because the baby was not on the plan. And they said that there was nothing they could do about it. This was actually Dignity Health, the giant healthcare company based out on the west coast. This mother was a nurse with Dignity Health.

Marshall Allen:

She tried for a year. She appealed through the TPA. They rejected her twice. They told her, "There's nothing we can do. The government does not allow us to add the baby to the health plan." Well, I knew that wasn't true and it just shows kind of the ridiculous nature of the way employees get totally taken advantage of and ignored sometimes by their own employer. And so I wrote a story about that. And even before the story had been published, they had agreed to add the baby to the health plan.

Marshall Allen:

Because, of course, they are allowed to add the baby to the health plan. What they told the mom was completely incorrect and they were going to let this young mother suffer from \$1 million in medical bills just because they wouldn't put the baby on the plan. So I have a chapter in the book on how to fight an insurance denial, and the right mindset and the right approach to take when your health plan is refusing to cover something. In the case of self-funded employer plans, what I explain to people is, "You're often going to have to go up against your employer. Forget about the third-party administrator that's administering the plan, you need to go to your CEO and your CFO, and you need to make your case to them in a very irrational evidence-based way and show them why the care that you need needs to be covered by the employer sponsored self-funded health plan."

Marshall Allen:

That's just something a lot of employees, obviously, don't realize. They don't know if they're in a self-funded plan or a fully insured plan, they don't know the difference between those things. And so it's fun, I think there might be some more uncomfortable conversations with employers, but obviously these employees are just getting caught up in the bureaucracy and they don't understand it. And so, I'm hoping to simplify those things and then empower people so they know what to do when they get caught in these situations.

Ron Barshop:

Marshall, how do people reach you if they want to provide you with a story or an idea?

Marshall Allen:

The best way is through my website, [marshallallen.com](http://marshallallen.com). And I encourage people, if they're interested, to sign up for my newsletter there. When you sign up for the newsletter, I send you a free introduction to the book. You can always email me too at [marshall@marshallallen.com](mailto:marshall@marshallallen.com). So I'm very interested in hearing from people. I'm always listening and interested in people's stories. I'm excited to hear from employers, too. One thing I really love to hear is if people have had victories.

Marshall Allen:

You mentioned your own company has had success. I'm looking to tell more stories of victory so that we can all learn from one another, we can learn tactics, and mindset, and the ways to disrupt the system in a way that's better for the public. So if anybody, whether they're an individual or an employer, has a really good example of something they put into place, or something they did to get a better deal, and save a lot of money, and still have good care, I'd love to hear about that too. So people can reach me for all those reasons.

Ron Barshop:

Great. As you know, we like to ask the [inaudible 00:27:52] at the end of the show. If you could fly a banner overhead, had anything important to say to America, what would that be?

Marshall Allen:

Wow, that's a good question. Does this have to be related to healthcare or any particular subject?

Ron Barshop:

No limitations.

Marshall Allen:

If I could fly a banner over America and give a message to everybody, I think I would say let's stop pointing fingers at each other, and sit down, and have a meal together. I think that's what I would say. I think some of the problems I see with all the divisions that we have in our country, I think they get really magnified in a way by the media, and by the politics, and I think that's a really unhealthy situation, because I know people on the extreme conservative and the extreme liberal side of the equation, they have a lot more in common with each other than they think. The one thing they don't do a lot is mingle. They don't mix, they don't sit down, and have a meal together, get together, hear each other's stories. We don't have to act like everybody's an enemy all the time. I think that's one of the things I would try and encourage people to do, just because I have a lot of friends with a lot of different perspectives, and I learned from all of them, and enjoy all of them. I think that would be my banner.

Ron Barshop:

Marshall, thank you for being on the show. We look forward to our next time together. It's always interesting talking to you.

Marshall Allen:

Thank you so much, Ron. I really appreciate it.

Ron Barshop:

Thank you for listening. You want to shake things up. There's two things you can do for us. One go to [primarycarecures.com](http://primarycarecures.com) for show notes and links to our guests. And number two, help us spotlight what's working in primary care by listening on iTunes or wherever you get your podcasts and subscribing. And leave us a review. It helps our megaphone more than you know. Until next episode.