



## Out of pocket medical expenses spawn a new type of credit card

### Healthcare credit cards

- ⊙ Available in dental practices, elective care, chiropractors & some hospitals
- ⊙ Get health care now & pay later
- ⊙ Pays out-of-pocket healthcare costs
- ⊙ Credit approval online in minutes
- ⊙ Interest free—up to 18 months
- ⊙ Extended payment—up to 5 years
- ⊙ Use for all family members
- ⊙ Track medical treatment and expenses

### Read the fine print!!!

- ⊗ Potential - increase medical costs
- ⊗ Miss a payment or don't pay the balance in the established period and the 'deferred interest' in excess of 20% APR on the original transaction may apply
- ⊗ Interest rates from 11% to over 20%
- ⊗ Pay late,/miss a payment & default rate of over 26% may apply
- ⊗ Missed payments negatively affect credit ratings



### Better Options:

- ☑ Find out if your provider has financial assistance or a discount available
- ☑ Know what your insurance will pay and know how to appeal denials
- ☑ Check out government programs that may cover a portion or all of the expense
- ☑ If uninsured try to negotiate for the insurers discounted rate
- ☑ Try to secure a payment plan with your physician
- ☑ Save up for elective procedures

#### Sources:

Zeldin, C., & Rukavina, M. (2007). Borrowing to stay healthy: how credit card debt is related to medical expenses. Borrowing to Make Ends Meet Series. Demos Network for Ideas & Actions. The Access Project. Retrieved November 1, 2007 from [http://www.demos.org/pubs/healthy\\_web.pdf](http://www.demos.org/pubs/healthy_web.pdf)

Olen, H. (2007). The medical credit card trap. The American Prospect. AlterNet Retrieved November 1, 2007 from <http://www.alternet.org/healthwellness/61050/>

CareCredit. (2007). Retrieved November 1, 2007 from <http://www.carecredit.com/index.html>

HELPCard. (2007) Retrieved November 1, 2007 from <http://www.helpcard.com/consumer/information.html>

