

COST OF CARE – RIGHT TO BE INFORMED OF  
LAW

Each patient shall... “1. Have the right to be **informed** in writing, before, upon or at a reasonable time after admission, of any **liability** that the **patient** or any of the **patient's relatives** may have for the **cost** of the patient's **care and treatment** and of the right to receive information about charges for care and treatment services.

2. If the patient is a **minor**, if the **parents may be liable** for the cost of the patient's care and treatment and if the patient's parents can be located with reasonable effort, the treatment facility or **community mental health program** shall **notify** the **patient's parents** of any liability that the parents may have for the cost of the patient's care and treatment and their right to receive information under subd. 3, except that a minor patient's parents may not be notified under this subdivision if the minor patient is receiving care under s. 51.47 without the consent of the minor's parent or guardian.

3. A **patient**, a patient's **relative** who may be **liable** for the cost of the patient's care and treatment or a patient's guardian **may request information** about **charges** for care and treatment services at the treatment facility or **community mental health program**. If a treatment facility or **community mental health program** receives such a request, the treatment facility or **community mental health program** shall promptly provide to the individual making the request written information about the treatment facility's charges for care and treatment services. Unless the request is made by the patient, the guardian of a patient adjudged incompetent in this state, the parent or guardian of a minor who has access to the minor's treatment records under s. 51.(30)(5)(b)1., or a person designated by the patient's informed written consent under s. 51.30(4)(a) as a person to whom information may be disclosed, information released under this subdivision is limited to **general information** about the treatment facility's **charges for care and treatment services** and may not include information which may not be disclosed under s. 51.30.”

§ 51.61(1)(w), Wis. Stats. [Emphasis added.]

“Before, upon or at a reasonable time after admission, a patient shall be **informed in writing**, as required by s. 51.61(1)(w), Stats., of **any liability** that the patient or any of the patient's relatives may have for the cost of the patient's care and treatment and of the right to receive information about charges for care and treatment services.” DHS 94.04(2), Wis. Admin. Code [Emphasis added.]

[NOTE: Subsection 51.61(1)(w) was added to the statute in **1995** and DHS 94 was amended in 1996 to reflect the right to be informed of costs of care.]

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## DECISIONS

1. An individual was convicted of his 5<sup>th</sup> Operating While Intoxicated (OWI) got involved in Rational Recovery, a non-traditional treatment alternative. He then **demanding reimbursement for all costs of his prior treatments** for the OWIs. He was **properly informed of the costs of his care** at the time of admission to those treatment programs, so **he was not entitled to any refund** of costs he already paid. . (Level III decision in Case No. 98-SGE-02 on 10/13/98, upheld at Level IV.)
2. A county human services department (HSD) **did not have a policy** in place for **contacting clients who are emergency detained**. Having such a policy is **not mandated by law**, but is a **good risk-management practice**. Had the HSD had such a policy, they would have found out that **this particular client had insurance that would have covered her stay in another facility**, where her treating physician also happened to work. This resulted in her staying at the original place of detention longer than necessary and costing her money from her own pocket. It **violated her right** to the least restrictive setting. Also, **the client should not be held personally responsible** for the **increased cost of care**. (Level IV decision in Case No. 99-SGE-03 on 11/3/99, reversing the Level III decision.)
3. A patient complained that the facility **did not properly inform her** of the **increase in the charges** for her cost of care. The Level II grievance decision found that she was **not properly informed** of the increased costs and her **billing was adjusted to reduce the fees** to the original costs. This was a **fair resolution** of the grievance. (Level III decision in Case No. 00-SGE-02 on 4/6/00.)
4. A patient's **ex-husband attempted to file a grievance** on his ex-wife's behalf about the **fees charged for her mental health services**. He had been ordered by the divorce court to pay that bill. He **lacked standing** to bring the complaint or appeal it through the grievance process without his ex-wife's consent. **Patient rights attached to her, not her ex-husband**, since she was the one receiving the treatment. (Level III decision in Case No. 00-SGE-06 on 4/14/00.)
5. An ex-patient complained about a **lack of billing information** about the cost of his stay at a psychiatric hospital. At the time of admission to the hospital, the patient and his wife spoke with staff in the Business Office about the cost of care. The couple expressed concerns that **their insurance would only cover psychiatric care for a limited time**. They **requested to be informed** by the Business Office **when he had reached the limit the insurance would pay**, and the hospital assured them that they would do so. Later, during his

stay, a facility representative **informed the patient** that he was close to exhausting his insurance benefits. At that time, he signed a form called the "Beneficiary Notification of Noncovered Care: Disclosure and Acknowledgement statement of Noncovered Services." The signed form acknowledged that he wished to stay at the hospital to receive services and that he was solely liable for payment of the services that would not be covered by his insurance benefits. The law states that, "A patient, a patient's relative who may be liable for the cost of the patient's care and treatment or a patient's guardian may request information about charges... (emphasis added). The **patient was given written notice** of the cost of his care. However, **his wife also requested information** about charges for care and treatment services. The hospital policy with competent adults is to only inform the patient receiving services about the cost of the care. However, his wife was also eligible to receive the same information because **she** was his relative, **was also liable for the cost of care, and had requested that information**. It is very reasonable for the spouse to request be kept informed about the cost of care for which she is also liable. Furthermore, since the patient was receiving psychiatric services at that time, it would also be reasonable for the spouse to monitor the insurance and billing aspects of care so that the patient could focus more on the psychiatric treatment that he was there to receive. Since the **wife was not informed** nor presented with a release form, she did not become aware of the bill until it had already exceeded the insurance limit and the patient had been discharged. Thus the **patient's right to be informed of costs of his care was inadvertently violated** by the hospital. At the time of admission, the hospital should have presented him with a Release of Confidential Information to release his specific billing information to his wife. **Without the signed consent**, his **wife** would only be eligible to receive **general billing information** that is not specific to the patient, such as the daily cost of inpatient care and any policies about how costs for care are billed at the hospital. (Level III Decision in Case No. 03-SGE-07 on 4/22/04.)

6. A psychiatric **hospital erred by not also informing the patient's wife** when his cost of care exceeded his insurance coverage, as she requested. The **hospital needed to revise its admissions policies and procedures to cover release of billing information** to those who may be responsible for it. The couple requested that the remainder of their outstanding bill for psychiatric care be waived. While it is concluded that his rights were violated, the **remedial action requested exceeds the scope of the grievance process**. If the couple wants to pursue that resolution independently, they would need to contact the facility to request a settlement or a private attorney for civil litigation. (Level III Decision in Case No. 03-SGE-07 on 4/22/04.)
7. When multiple services are to be provided, such as a combination of outpatient individual psychotherapy and family therapy, the **informed consent** process should give clear notification for the proposed costs for

each type of service, so the clients may make an **informed choice** in the services they choose to receive. Here, it was determined that the right to **meaningful notification of the cost of care** was **violated** by the **lack of documentation** and the **ambiguity of the consent** to treatment. The family would not have consented had they realized that their insurance would not cover one of the two types of services provided. (Level III decision in Case No. 07-SGE-02 on 4/2/08)

8. A patient's mother felt that the outpatient drug treatment program "failed" her son by **not promptly diagnosing his depression**. The son ended up requiring inpatient treatment. The mother wanted the outpatient program to **pay for her son's inpatient stay**. This was **not within the purview** of the grievance procedure. (Level III decision in Case No. 07-SGE-07 on 4/2/08)
9. In general, **when clients are not satisfied** with the care and treatment they received, the **liability for paying for the cost of the care they did receive is not waived**. Treatment providers **must provide meaningful notification on the costs for the proposed care and treatment**, and the person who will be held liable for those costs may then choose to consent or not consent to those costs. But, **after consent is granted and services are rendered**, the **client is responsible** for the cost of those services. (Level III decision in Case No. 09-SGE-06 on 1/25/10)
10. It was concluded that the complainants' **rights were violated by inadequate notice of the costs of their son's care**. The hospital argued on appeal that the parents had been provided such notice in the authorization form signed by the father. That authorization did indicate that the parents would be responsible for the costs of their son's care, but nowhere did that form indicate what those costs might be. It was not until their son was nearing the end of his stay that one of the physicians reminded the parents to check their insurance policy for coverage of that stay. By that time, the coverage had already expired and the parents were being charged directly for the costs of his stay. Granted, they should have been aware of the limits of their insurance coverage; but **it is also incumbent upon the provider to remind clients and their families, in a timely manner, to check on their policy limits and to inform them that they will be personally responsible after that coverage expires**. The hospital also argued that the burden was on the parents to request additional information about charges for which they could be responsible. However, §51.61(1)(w), Stats., was **written as a "right to notification" of potential liability**. It was concluded that **the burden of informing clients and their families of the potential costs of care is on the service provider, rather than on the clients or their families to inquire about them**. (Level IV decision in Case No. 10-SGE-04 on 3/17/11)

11. It is a **rights violation** when a **service provider fails to alert clients** to the **details of their costs of care** within a reasonable time. (Level III decision in Case No. 11-SGE-06 on 12/02/11)
12. Where a provider had **not yet created the balance limit policy** when they agreed with the client to pay a certain amount per month. **Since they did not have the policy** when a financial agreement plan was made with the client, the **provider did not fail to disclose the information to her** at that time. (Level III decision in Case No. 11-SGE-06 on 12/02/11)
13. A patient complained that he had to pay for treatment out of pocket because the provider's staff failed to send documentation of his diagnosis signed by a doctor to his insurance company in a timely manner. The provider refused to reimburse the patient for his out of pocket costs. The patient wished to be reimbursed. **It is outside of the scope of the grievance process to order restitution.** (Level IV decision in 14-SGE-0001 decided on 12/22/2014)
14. A patient complained that he had to pay for treatment out of pocket because the provider's staff failed to send documentation of his diagnosis signed by a doctor to his insurance company in a timely manner. The provider refused to reimburse the patient for his out of pocket costs. **Although providers are required to inform patients of the cost of services in writing within a reasonable time of admission, providers are not required to explore all potential avenues for insurance upon admission.** Further, the patient was told at the commencement of treatment that he may be billed out of pocket. He consented to treatment on this basis. Further, providers are not required to pay for any delays in sending insurance documentation. Thus, no violation of the client's right to proper notification of costs was found. (Level IV decision in 14-SGE-0001 decided on 12/22/2014)
15. A patient complained that she **should not have to pay her bill for services because the services were inadequate.** It was determined that the patient's services were adequate and that her right to receive notice of costs of care was not violated because she was properly notified of the costs of care for a diagnostic visit. (Level III, Case No. 17-SGE-03 III)
16. A patient's guardian filed a grievance claiming she was **improperly billed for a consultation with a Behavioral Health Consultant. The consultation was a considered a "parent-only" visit, which is non-billable. The provider does not have a record of sending a bill, and the guardian did not provide any further information that would indicate she was in fact billed for the appointment.** If the guardian had been billed without first being informed of the cost of care that would be a client rights violation, but based upon the best available information there was no cost associated with the appointment. No rights violation found. (Level III grievance decision in Case No. 21-SGE-01)

17. A patient filed a grievance that the provider was **wrongfully billing for services as he believed that his treatment team was lying about the services provided.** The patient was informed of the cost of care for services, which were paid for by Medicaid. The patient was instructed to file a complaint with the Department of Health Service Office of Inspector General if he thought that Medicaid was being improperly billed for services. (Level III decision in Case No. 21-SGE-06).
18. A patient filed a grievance that the **provider was wrongfully billing for services as he believed that his treatment team was lying about the services provided.** The patient was informed of the cost of care for services, which were paid for by Medicaid. The patient was instructed to file a complaint with the Department of Health Service Office of Inspector General if he thought that Medicaid was being improperly billed for services. (Level III decision in Case No. 21-SGE-06).
19. A patient **believed that she had been improperly emergency detained, and that she should not have to pay for the crisis intervention services** from the county. Wisconsin law allows for counties to require patients to pay for crisis intervention services, and it was not a violation of the patient's rights when the county sought payment, despite her dissatisfaction with the services she received. (Level III Decision in Case Number 22-SGE-06)
20. A patient grieved that **she was not properly informed that she would be charged for crisis intervention services.** The county provided documentation that patients are currently informed that they will be charged for crisis services, but due to staffing changes in the time since the patient received crisis services, it could not be confirmed that the patient received such documentation. The patient's right to be informed of the cost of her care was unable to be substantiated. (Level III Decision in Case Number 22-SGE-06)

[See: "Introduction to Digest-Date Last Updated" page.]