Hospital Bill Negotiation Kit

Lower a hospital bill in the order that saves the most: fix errors, apply for financial assistance, then negotiate what's left. Print it, fill it in, and keep it next to the phone.

The 4 moves, in order

1. **Get the itemized bill** (page 2 letter) and your insurer's explanation of benefits (EOB).
2. **Check it for errors** (page 3 checklist). Don't pay a charge you can't match to your care.
3. **Apply for financial assistance** ("charity care," page 3). Nonprofit hospitals must have a written policy.
4. **Negotiate what's left:** a lump-sum offer or a 0% payment plan with the hospital (pages 4–5). Get every deal in writing (page 6).

Your deadline tracker

If this happened	Date	Deadline rule (verify on your own paperwork)	My deadline
First bill after you left a **nonprofit** hospital		Hospital can't take "extraordinary collection actions" (credit reporting, lawsuits, selling the debt) for at least **120 days**, and must give 30 days' written notice first. It must accept assistance applications for at least **240 days**. (IRS, Section 501(r)(6))	
Insurer denied a claim		File an internal appeal within **180 days** of the denial notice. (HealthCare.gov)	
You paid without insurance and the bill is $400+ over your good faith estimate		Start a patient-provider dispute within **120 days** of the bill date ($25 fee). (CMS, No Surprises Act)	
A debt collector sent a validation notice		You have **30 days** to dispute in writing. The notice shows the end date. (CFPB)	
Bill went unpaid to collections		Equifax, Experian and TransUnion don't list unpaid medical collections until they're **1 year** past due, and never list ones under $500 or ones that are paid. (Experian; CFPB)	

Account details

Hospital: _____ Billing phone: _____

Account #: _____ Date(s) of care: _____ Balance: $_____

Nonprofit hospital? ☐ Yes ☐ No ☐ Don't know yet Insurance used? ☐ Yes ☐ No Most I can pay at once: $_____

Joseph's note: my big debt was over $100,000 in student loans, not a hospital bill. The call that turned it around was the same kind of call: I reached out, asked what they could do, and got on a hardship program. Be specific, ask what they can offer, and get it in writing.

Itemized Bill Request Letter

Mail or email it to the hospital's billing office (patient financial services). Keep a copy. CMS suggests asking for a detailed bill that lists the cost of each item or service.

Date: _____

From: _____

_____

Phone / email: _____

To: _____ Billing Department / Patient Financial Services

_____

Re: Request for an itemized bill

Patient: _____ Account #: _____ Date(s) of service: _____

To the billing department:

Please send me a complete itemized bill for the account above. For each charge, please list the date of service, a plain description, the billing code (CPT, HCPCS or revenue code), the quantity, and the amount charged, plus every payment, insurance adjustment and discount applied to the account.

Please also send me a copy of your financial assistance policy, its plain-language summary and the application form.

I am not refusing to pay. I want to make sure the bill is correct before I do. While I review it, I ask that you hold this account and not refer it to a collection agency.

Please send the information to the address or email above. Thank you.

Sincerely,

_____

(signature and printed name)

Before you mail it

- [ ] Ask your insurer for the explanation of benefits (EOB) for the same dates. CMS says the "your share" amount should match your bill.
- [ ] Ask for a copy of your medical records too. CMS says you shouldn't be billed for anything that isn't documented in them (some providers charge a records fee).
- [ ] Write the date you mailed it in your call log (page 7).

Error Check + Financial Assistance

Billing-error checklist

- [ ] My name, address and insurance details are correct (CFPB)
- [ ] I actually received every item and service listed (CFPB)
- [ ] Every charge appears in my medical records (CMS)
- [ ] Nothing is billed twice, including by two different providers (CMS)
- [ ] Each billing code matches the care I got. Search the code plus "medical billing code" (CMS)
- [ ] Quantities and dates of service make sense (days, doses, supplies)
- [ ] The bill's balance matches "your share" on my EOB (CMS)
- [ ] The claim was actually sent to my insurer, and payments were credited
- [ ] Emergency care, or care at an in-network hospital, billed as out-of-network? The No Surprises Act may protect me (CMS)
- [ ] Uninsured and $400+ over my good faith estimate? I may be able to dispute (CMS)

Found something? Use Script 1 (page 4). Your state's Consumer Assistance Program may also help with billing issues (CMS).

Financial assistance checklist

- [ ] Asked: "Are you a nonprofit hospital, and do you have a financial assistance policy?"
- [ ] Got the policy, the plain-language summary and the application
- [ ] Read who qualifies (income, household size) and whether it's free or discounted care
- [ ] Checked which doctors the policy covers. The policy must list providers who are and aren't covered (IRS)
- [ ] Found the AGB percentage, or how to get it free (IRS). This is my anchor for Script 3
- [ ] Gathered what the application asks for, which may include pay stubs, a tax return, benefit letters and bank statements
- [ ] Applied within 240 days of the first bill after discharge (IRS minimum)
- [ ] Kept a copy and noted the date sent
- [ ] Got a written decision. The hospital must give one, with its reasons, after a complete application (IRS)
- [ ] Already paid? If I qualify, the hospital must refund what I paid above my new amount, unless it's under $5 (IRS)

Not a nonprofit? Ask anyway. The CFPB says nonprofit hospitals, and some private hospitals, must provide free or reduced-fee care.

Rules nonprofit hospitals must follow (IRS Section 501(r))

A written financial assistance policy covering emergency and other medically necessary care, widely publicized · Patients who qualify can't be charged more than the "amounts generally billed" (AGB) to people with insurance · No extraordinary collection actions (credit reporting, lawsuits, liens, wage garnishment, selling the debt) before reasonable efforts to check eligibility, including the 120-day wait and 30-day written notice · After a complete application, the hospital must suspend those actions until it decides · If you qualify, it must take reasonable steps to reverse them, including removing adverse credit report information.

Scripts 1–2: Errors and Assistance

Read them out loud. Write the rep's name and a reference number on page 7 before you hang up.

☐ Script 1: Billing errors and coding

"Hi, my name is **[name]**. I'm calling about account **[#]** for care on **[date]**. I have my itemized bill and my insurer's explanation of benefits, and I have questions about some charges before I pay. Line **[#]**, code **[code]**, is for **[description]**, and **[I don't see it in my records / it's billed twice / I didn't receive it]**. Can you check it against my medical record and send me a corrected bill? While you review it, can you put the account on hold so it isn't sent to collections? Can I have a reference number for this call?"

If they say "That's what was ordered": "Can you show me where it's documented in my record? I'd like a coding review of that line."

If they say "Insurance already processed it": "My EOB says my share is $**[X]**, but your bill says $**[Y]**. Can you correct the bill or resubmit the claim?"

If they say "You'll have to call the doctor's office": "Which provider billed that line, and what's their billing number?"

☐ Script 2: Financial assistance (charity care)

"Hi, I'm calling about account **[#]**. I'd like to apply for financial assistance. Can you send me your financial assistance policy, the plain-language summary and the application? Where do I send it, and what documents do you need? Will collection activity stay on hold while my application is reviewed? And does the policy cover the doctors who treated me, or do they bill separately?"

If they say "You probably make too much": "I'd still like to apply and get a written decision. Can you tell me the income limits?"

If they say "It's been months since your bill": "Your policy has to accept applications for at least 240 days after the first bill after discharge. My first bill was dated **[date]**."

If they say "We're not a nonprofit": "Do you have any financial assistance, self-pay discount or hardship program anyway?"

If they offer a medical credit card: "No thanks. I'd like to apply for assistance first. If I still owe something after that, I'd like a payment plan with you directly." (The CFPB warns that putting the bill on a card can make assistance harder to get.)

Scripts 3–4: Offer or Plan

What to offer, and why

No law sets a percentage, so start from the hospital's own numbers and your real budget:

1. The AGB percentage (nonprofit hospitals). The policy must state it or tell you how to get it free. It's the average share of gross charges that insurers allowed. Example with round numbers: gross charges of $10,000 and an AGB of 40% means insurers paid about $4,000 for that care.

2. The discounted cash price. Hospitals must post the price they'll accept from a patient paying cash (CMS hospital price transparency rules). Search the hospital's website for "price transparency" or "price estimator."

3. Your maximum. The most you can pay at once without missing rent, food, utilities or medicine.

Open at the lowest anchor (or lower), and never agree above your maximum. No anchor? Ask them to name their self-pay or prompt-pay discount first, then counter below it. Why it can work: a lump sum pays the hospital now and saves it months of billing and collection costs.

My numbers: AGB ____% × gross $_____ = $_____ · Cash price $_____ · My max $_____ · **Opening offer $_____**

Script 3: Lump-sum or prompt-pay offer

"After any assistance, my balance is $**[X]**. I can't pay that, but I can pay $**[offer]** in one payment within **[7]** days if you accept it as payment in full. That's based on **[your AGB rate of __% / your posted cash price of $__]**. Can you accept that?"

If no: "What's the lowest amount you can accept as payment in full? Is there a supervisor or patient financial services manager who can approve more?" Then counter in small steps, never above your maximum.

If yes: "Thank you. Before I pay, please send it in writing: the amount, that it's payment in full, that the balance will be $0, and that it won't go to collections or be reported. How can I pay so I get a receipt?"

Script 4: Payment plan

"I want to pay this, but not all at once. I can pay $**[amount]** a month. Can you set up an interest-free payment plan directly with the hospital? Will the account stay out of collections as long as I pay on time? What happens if a payment is late? Please send me the terms in writing."

If the monthly amount is too high: "My budget can't do $**[X]**. Can we do $**[Y]** for six months and then review it?"

If they say it's only through a financing partner: "Is that a credit card or a loan? Is the interest deferred? I'd rather have a plan with you directly." (The CFPB says deferred interest can be charged on the full amount if the balance isn't paid off in time.)

Confirm the Deal + Protect Your Credit

"Confirm our agreement" letter (send before you pay)

Date: _____ Account #: _____ Patient: _____

To the billing department:

On _____, I spoke with _____ (reference # _____). We agreed that:

☐ A payment of $_____ by _____ will be accepted as **payment in full**, leaving a balance of $0.
☐ A payment plan of $_____ a month for _____ months, starting _____, with **no interest or fees**.

Please confirm in writing that this agreement is correct, that the account will not be referred to collections or reported to a credit bureau while I keep to it, and, for a payment in full, that you will send a letter showing a $0 balance once it's paid.

Sincerely, _____

Medical bills and your credit report (checked Nov 17, 2026)

- ☐ Equifax, Experian and TransUnion **don't list paid medical collections**, medical collections **under $500**, or unpaid ones **less than a year** past due (Experian; CFPB).
- ☐ The CFPB's January 2025 rule to remove medical debt from credit reports **was vacated by a federal court on July 11, 2025** and is not in effect (CFPB). The limits above are the bureaus' own policies.
- ☐ Those protections **don't cover a medical credit card or financing plan.** Missed payments on those can be reported (CFPB).
- ☐ A nonprofit hospital counts credit reporting as an extraordinary collection action, so the 120-day and notice rules apply first (IRS).
- ☐ While a No Surprises Act bill dispute is open, the provider can't send the bill to collections (CMS).
- ☐ A medical collection you think is wrong? Dispute it with the bureau: freedomclimbers.com/credit-report-dispute-letter/

Your state may have extra medical-debt protections. Your state attorney general's consumer office can tell you.

Hospital Bill Call Log

One row per call or letter. Names, dates and reference numbers are your proof if something goes wrong later.

Date & time	Who (dept, phone)	Rep name / ID	What I asked	What they said or agreed	Ref #	Next step / by

Sources (opened Nov 17, 2026)

IRS: Financial assistance policy, Section 501(r)(4); Limitation on charges, 501(r)(5); Billing and collections, 501(r)(6) (irs.gov/charities-non-profits) · CMS: Medical bill rights and No Surprises Act; Dispute a medical bill; Check your bill for errors; Hospital price transparency for consumers (cms.gov) · HealthCare.gov: Internal appeals · CFPB: Medical credit cards and payment plans; Know your rights on medical bills and collections; Debt collector validation information; Medical debt rule (vacated July 11, 2025) (consumerfinance.gov) · Experian: How does medical debt affect your credit score? Full links on the web version of this kit. Education only, not legal, tax or financial advice. Rules can change; check the current version of each source.