

Ways to Financially Cope During A Medical Emergency

One of the most stressful events in an adult's life is facing a medical emergency. Dealing with unexpected medical bills while struggling with a health crisis can be overwhelming. Medical emergencies leave people with no choice but to make difficult financial decisions. Balancing household expenses and hospital bills, including medicines and doctor's fees, can be daunting.

A [study](#) by The Commonwealth Fund reveals that 72 million people in the US are struggling with medical debt—some deal with piling medical bills while others are paying off accumulated debt from past medical procedures. Even the elderly aren't spared from this problem- 7 million also contend with medical bill problems.

This predicament can take its toll on one's overall well-being. If a medical emergency bogs you down, some ways can help you cope financially. While it is indeed a tough hill to climb, knowing that there are solutions can be a significant first step.

What are Medical Emergencies?

Accidents

Accidents cause injuries that require immediate medical intervention. It's a medical situation requiring family members to make swift decisions while raising funds for surgery or blood transfusions. Some accidents, such as those involving the workplace and vehicles, involve another party who will pay for the hospital bills. However, you still need to initially shell out money while waiting for the matter to be legally settled.

Critical Illness

A critical illness is a life-threatening condition that can result in impairment or death if left untreated. Heart attack, stroke, and cancer entail expensive medical treatment, days of hospitalization, and maintenance medicines. These medical interventions can wipe out a person's bank account and force people to incur debt or sell their properties.

Communicable Diseases

Viruses and bacterial infections can come unexpectedly. One very relatable example is the Covid-19 virus which caused expensive hospitalizations, medications, and tests. The problem with these infectious diseases is that several family members sometimes get sick, making expenses pile up.

Mental Health Issues

Your mental health is as important as your physical health, so seeking medical intervention for it is also an emergency. Treating mental health issues can cause a massive dent in one's budget. However, these issues must be dealt with immediately to prevent untoward incidents.

These medical situations are financially and emotionally draining. Aside from handling medical expenses, you must also deal with day-to-day concerns. You must still buy food, pay utility bills, and send kids to school. It can be daunting, but there are ways to overcome it.

How to Financially Prepare Before an Emergency

If you're worried you might get seriously ill in the future, you can take several steps to safeguard your finances.

1. Get health insurance.

A wide array of insurance options can match your income and health goals. It's best to meet with several insurance agents before making a decision. Compare their proposed premium and coverage before signing up and shelling out money. Please do your homework and ask family, friends, and colleagues for their recommendations.

Some companies offer health insurance, HMO coverage, or a premium subsidy as workplace benefits. If you're employed, check with Human Resources if you and your family are eligible for health benefits. Your HR can help enroll you in the company's accredited insurance company. It will also help if you enroll in a government health insurance program. It may not cover the whole medical expense, but it would help.

2. Ensure that your social security payments are up to date.

Most employers would take care of your social security payments through salary deductions. However, if you're self-employed, you must ensure you never miss a payment. If your monthly contributions are not up to date, you might not be able to receive any benefits. Even if you could only collect the money after hospitalization, it could still contribute to household or recovery expenses.

3. Start an emergency fund.

Financial experts recommend stashing away at least three months' salary for your emergency fund. However, it will still depend on your income and current expenses. It would be best to keep your emergency fund in a bank you can't easily access with a debit card. You can also utilize your bank's auto deduction feature for consistency.

4. Invest in a high-yield savings account or short-term bonds.

Suppose you received a hefty bonus or your savings are significant enough, you may transfer them to a high-yield savings account or short-term bonds. These savings vehicles can earn interest and are easily accessible in medical emergencies.

5. Evaluate your budget.

Expenses from daily coffee shop visits or streaming subscriptions you rarely use can pile up without noticing. Writing down where you spend your income can give you a clearer view of what expenses you can forego. It would also help create a budget to know your financial obligations and see how you can save for your emergency fund.

6. Look for a side hustle.

Find other income streams, such as a small business or freelance work. Even selling items you no longer use can help build your emergency fund. Increasing your income will allow you to funnel more money to your medical emergency fund. It's best to [develop a money mindset](#) to reach your financial goals.

How to Manage Your Finances During a Medical Emergency

Sometimes, no matter how careful you are, unfortunate circumstances can lead you or a family member to a medical emergency. When this happens, some ways can help you cope financially.

1. Check out hospital billing for errors.

Most medical bills contain errors and confusing entries, leading to overpayment. You may overlook these details, especially when dealing with emotional difficulties. Please find the time to carefully study the entries in a bill so you can have mistakes corrected before paying.

Here are the tips to help you manage your medical bills:

- Ask for an itemized bill from the hospital or medical care provider. Check each entry and see if you received every medicine, treatment, or supply. One procedure usually costs a lot, so double entries can significantly add up.
- If you're filing an insurance claim, you must also study the insurer's Explanation of Benefits (EOB). Ensure that the insurer will pay for what was stated in your policy.
- Research the actual cost of medical procedures. It will come in handy when negotiating for lower doctor's fees or discounts from your insurance company.

2. Negotiate with the hospital or your attending physician for discounts.

Hospitals and doctors may have different negotiation approaches, but there's no harm in trying. Ensure that there are no alternative treatment methods before going through a medical procedure. Check also if the prescribed measures and tests are necessary before agreeing. If you must undergo the medical procedure, know the rates first and negotiate for a lower fee or installment payment options.

What To Do After The Medical Emergency

1. Secure a loan from a reputable financing company.

Most medical emergencies require further treatments, maintenance medications, or therapy. At this point, you may have depleted your emergency fund, so you'll need financial support from other sources. Applying for a loan can significantly help you on your road to recovery.

It's best not to do this step while you or a loved one is still in the hospital. It's best if you have time to process the loan, so it's best to wait for the dust to settle before applying.

You may use the proceeds to fund your recovery purposes and your basic needs. It might take a while before you can return to work, so the loan can help you get back on your feet.

You can [get your loan approved](#) with the following tips:

- Determine what you need before applying. It will help you choose the best loan option for your medical needs. List the total amount that will cover your recovery and include provisions for special dietary needs and medical equipment if needed.
- Prepare your income and credit history records and other financial documents. You will need to provide this information to expedite the loan process. Organized documentation shows the loan officer that you can manage the responsibility of loan payments.
- Assess your capacity to pay your loan without compromising your finances. Be realistic about the payment terms that you can afford. Ask the loan officer for a detailed explanation, including interest rates and other fees, so that you can make an informed decision.

2. Don't take any financial risks.

Your recovery period is not the best time to make rash decisions regarding investment opportunities. It might be tempting to enter into moneymaking deals, especially now that

you need them badly. However, focusing on your overall well-being before investing or starting a business would be best. You'll be able to deal with these crucial tasks better when you've fully recovered.

The Key to Coping with Medical Emergencies is to Manage Your Finances

Nothing is more stressful than facing a medical emergency and having no money to fund it. However, you can meet these challenges by managing your finances before sickness or untoward incidents.

The best way is to create an emergency fund by cutting down on expenses and increasing your income. Securing an insurance plan for you and your family can also help ease the financial burden brought by medical emergencies.

If you did everything but still need money to recover, getting a loan can help you raise funds for your medical needs. Ensure that you have a good credit record for speedy loan approval. When your finances are in order, you can focus on your recovery and appreciate a new lease on life.