

# Uninsured turn to daily deal sites for health care

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This screen shot shows eyewear coupons for the New York City area offered by Groupon.com. Daily deal sites such as Groupon and LivingSocial, best known for discounts at local restaurants and spas, are helping some people fill holes in health insurance coverage. (AP Photo/Groupon.com)

(AP) -- The last time Mark Stella went to the dentist he didn't need an insurance card. Instead, he pulled out a Groupon.

Stella, a small business owner, canceled his [health insurance plan](#) more than three years ago when his premium rose to more than \$400 a month. He considered himself healthy and decided that he was wasting money on something that he rarely used.

So when a deal popped up on daily deals site Groupon for a teeth

cleaning, exam and an X-ray at a nearby dentist, Stella, 55, bought the deal - which the company calls a "Groupon" - for himself and another for his daughter. He paid \$39 for each, \$151 below what the dentist normally charges.

Daily deal sites like Groupon and LivingSocial are best known for offering limited-time discounts on a variety of discretionary goods and services including [restaurant meals](#), wine tastings, spa visits and hotel stays. The discounts are paid for upfront and then it's up to the customer to book an appointment and redeem a coupon before it expires. Merchants like the deals because it gives them exposure and a pop in business. Customers use them to try something new, to save money on something they already use, or both.

The sites are increasingly moving beyond little luxuries like facials and vacations and offering deals that are helping some people fill holes in their [health insurance coverage](#). Visitors to these sites are finding a growing number of markdowns on [health care services](#) such as teeth cleanings, eye exams, chiropractic care and even medical checkups. They're also offering deals on elective procedures not commonly covered by health insurers, such as wrinkle-reducing [Botox injections](#) and vision-correcting Lasik eye surgery. About one out of every 11 deals offered online is for a [health care](#) service, according to data compiled by DealRadar.com, a site that gathers and lists 20,000 deals a day from different websites.

"I was accustomed to going to the dentist every six months," said Stella who owns SmartPhones, a store and wholesale business in Miami that sells mobile phone covers and accessories. "This filled the gap."

The deals are popping up across the nation. In New York, a full medical checkup with blood, stool and urinalysis testing sold for \$69 in December on Groupon - below the regular price of \$200. In Seattle, a flu

shot was offered on AmazonLocal for \$17, down from \$35. In Chicago, LivingSocial sold a dental exam, cleaning, X-rays and teeth whitening trays for \$99, a savings of \$142.

About 9 percent of all offers on daily deal websites in November were for dental work or some kind of medical treatment, up from 4.5 percent in the beginning of 2011, said Dan Hess, CEO and founder of Local Offer Network, which runs DealRadar.com. The growth in health-related deals is good news for millions of Americans. According to the Centers for Disease Control and Prevention, 46.3 million Americans under 65 have no health coverage.

The number of health care deals began rising as copycat websites attempted to get a piece of the market. Search leader Google and shopping site Amazon.com have recently gotten into the game.

Not all have been successful. In August, social networking site Facebook dropped its plan to start a daily deal business, and Yelp, a site that allows customers to write reviews of restaurants and other businesses, scaled back its daily deal efforts. Many smaller sites have closed. But the shakeout in the industry hasn't hurt the number of health deals being offered since the industry leaders, like Groupon, are offering more deals and are moving into more markets, Hess said.

The health care deals may be attractive for people with gaps in their coverage or no insurance, but jumping from one health care provider to the next isn't ideal. Visiting the same doctor or dentist makes it easier to monitor how a patient's health is progressing, said David Williams, co-founder of medical consultancy group MedPharma Partners and author of HealthBusinessBlog.com.

Also, it's important for patients to do their own research before buying a medical or dental deal, Williams said. "A referral from someone you

trust is the best path," said Williams.

Dental deals are the most popular among users of local deal websites - likely because even more people lack dental insurance than health insurance. Among the 172 million people under 65 who have private health insurance in the U.S., about 45 million don't have dental coverage, according to the CDC.

Dentists have traditionally offered [deals](#) by mailing out coupons, but paper coupons have a low redemption rate, Williams said. Local deal sites are more attractive to doctors and dentists because they get paid up front and they reach new clients.

"We reached a whole new demographic who otherwise wouldn't find us," said Dr. Gregg Feinerman, an ophthalmologist who runs Feinerman Vision Center in Newport Beach, Calif. He offered a 58 percent discount on Lasik eye surgery through Groupon. "It's a better way to market," he said.

He used Groupon as a way to bring in patients under 30-years old with the hope that they would recommend his services to friends and rate him on review website Yelp. A good review might persuade someone else to visit his office, Feinerman said. He charges \$5,000 for the surgery on both eyes; a price that he said can be "overwhelming for 20-to 30-year-olds."

Feinerman approached Groupon about listing the [eye surgery](#) for \$3,000. Groupon, which is based in Chicago, pushed him to lower the price to \$2,100.

Feinerman got exactly the type of patient he was looking for in Thomas Cho. Cho, 29, bought the offer and after the surgery wrote a review on Yelp. He gave the vision center five stars - the highest rating on the

website.

Cho said in an interview that his [health insurance](#) plan only covers 20 percent of the regular price of Lasik since it is considered a cosmetic procedure. He would have paid about \$4,000 if he had used his insurance discount.

Cho decided to buy the Groupon, paying \$2,100 initially. After consulting with the doctor, he upgraded his surgery to an all-laser procedure for \$1,000 more. At the time, Cho's credit card issuer was offering a 20 percent cash back promotion on Groupon purchases. In all, he saved more than \$1,300.

"I had my post-op checkup and I am seeing 20/20," Cho wrote on Yelp. "I couldn't be happier."

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