Policies and Procedures

SECTION: Administration

CHAPTER: Billing Compliance

POLICY: Waivers of Co-Insurance Amounts

PURPOSE

The purpose of this policy is to establish specific and limited circumstances when it is permissible to waive or reduce a patient's obligation to pay co-pays, coinsurance, deductible amounts, or other amounts owed for the provision of healthcare services (e.g., co-payments).

POLICY

It is the policy of Creighton University to collect all applicable co-pays, deductibles, coinsurance or other amounts owed by a patient (or his/her legal representative). A patient’s obligation to pay his/her co-pay, coinsurance and/or deductible shall only be waived or reduced as permitted by this policy, federal and state law and/or payer contractual provisions.

Creighton University does not offer, provide or give professional courtesy.

SCOPE

This policy applies to all employees, faculty, and agents of Creighton University who are involved in the provision of healthcare services within a Creighton University owned and operated clinic.

DEFINITIONS

Federal Health Care Program means any plan or program providing health care benefits, whether directly through insurance or otherwise, that is funded directly, in whole or in part by the U.S. Government or any state health care program. It does not include the Federal Employees Health Benefits Program. It does include Medicare, Medicaid, TriCare, VA, and state Medicaid programs.

Insurance Only Billing means the waiver of all out-of-pocket patient copayments or other personal payment obligations and billing the insurer the full charge without reflecting the waiver of patient payment obligations.

Professional Courtesy means the provision of medical care to physician colleagues or their immediate family members free of charge or at a reduced rate, which may include insurance only billing.

PROCEDURE

A. Federal Health Care Programs (e.g., Medicare, Medicaid, VA, TriCare)

A Federal Health Care Program patient’s co-pay, coinsurance or deductible amounts may only be discounted or waived if all three (3) of the following federal statutory requirements are met:
Waivers of Co-Insurance Amounts

1. The waiver/discount was not advertised or otherwise solicited;
2. The waiver/discount is not routinely offered; and
3. The waiver/discount is either made:
   - after determining, in good faith, that the individual is in financial need, or
   - after reasonable efforts to collect the co-pay, coinsurance or deductible amounts from the patient have failed.

Financial need shall be determined by each center that provides healthcare services utilizing its respective documented internal policies.

Any waiver or reduction of a Federal Health Care Program beneficiary’s co-pay, coinsurance or deductible obligation that does not comply with the above policy standards is prohibited.

B. Other Third-Party Payers (Including Non-Federal Health Care Program Payers)

Routine waiver of co-payments, including insurance-only billing, may constitute fraud under state or federal law. Therefore, co-pays, coinsurance and/or deductibles shall only be waived or reduced in accordance with the third-party payer's contract with Creighton and/or state or federal law. Any waiver or reduction allowed under a third-party payer’s contract shall be reported according to the third-party payer’s requirements.

C. Professional Courtesy

Professional courtesy shall not be offered or given to anyone.

ADMINISTRATION AND INTERPRETATIONS

Questions regarding this policy may be brought to your immediate supervisor, the Billing Compliance Committee Chairperson, or the Provost.

AMENDMENTS OR TERMINATION OF THIS POLICY

This policy may be amended or terminated at any time.
# Policies and Procedures

## Administration

<table>
<thead>
<tr>
<th>No.</th>
<th>Section</th>
<th>Chapter</th>
<th>Policy</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.5.7.</td>
<td>Administration</td>
<td>Billing Compliance</td>
<td>Waivers of Co-Insurance Amounts</td>
<td>3 OF 3</td>
</tr>
</tbody>
</table>

## REFERENCES

42 U.S.C. §1320a-7b(b)(2)(B) and (E); 42 USC §1320a-7a(a)(5); 42 CFR 1003.101; 42 CFR 1001.952(k); OIG Special Fraud Alert 59 F.R. 65,372 (December 1994); OIG Advisory Opinion No. 97-4; No. 99-7; No. 01-04; No. 02-16; and No. 04-01; Neb. Rev. Stat. §28-631 and §44-4358.