The purpose of this bulletin is to remind participating providers of the guidelines regarding the collection of copayments.

Effective November 1, 2014, the Health Care District’s Coordinated Care Option 1 plan implemented the following copays:

- $2 Primary Care Provider Visits
- $10 Specialist Provider Visits
- $25 Emergency Room Visits
  *waived if visit results in a hospital admission

As a reminder, participating providers should collect copays from the members. The copay amounts are deducted from the provider’s reimbursement and will be indicated on the provider’s remittance advice. A provider’s routine waiver of copays may create an incentive to over-utilize program resources and violate Anti-Kickback Statute. See OIG Special Fraud Alert (12/94).

The OIG has set out some safe harbor guidelines. Waiving copays does not violate the Anti-Kickback Statute if:

- the provider waives the copay after determining in good faith that the individual is in financial need or reasonable collection efforts have failed;
- the provider does not routinely waive copays, coinsurance or deductibles; and
- the waiver is not offered as part of any advertisement or solicitation.

The member’s “financial need” will depend on the individual’s circumstances. Providers should have a written policy and guidelines in place showing consideration of factors such as the local cost of living, the patient’s income, assets and expenses, and the scope and extent of the patient’s medical bills. The documentation of financial need should be placed in that patient’s file to prove that the analysis was undertaken and the policy was followed. In addition, collection should always be attempted. By taking these factors into consideration, a Provider may greatly reduce the risk of being flagged for fraudulent waiver of copays.

If you have questions regarding this bulletin, please contact your Provider Representative at (561) 659-1002.

Please insert this bulletin into your Provider Handbook. The policies and procedures in this bulletin supersede any related policies and procedures within the handbook.