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OIG ISSUES GUIDANCE ON PROMPT PAY DISCOUNTS

The Office of the Inspector General (“OIG”) has recently issued an advisory opinion (OIG Advisory Opinion No. 08-03 (the “Opinion”)) regarding prompt pay discounts offered by a health care system to federal health care program beneficiaries and other insured patients. The Opinion analyzes the anti-kickback statute, and the safe harbor for waiver of beneficiary coinsurance and deductible amounts.

The Opinion addresses the issue of waivers and discounts for both inpatient and outpatient services. While the guidance provided in the Opinion is limited to the facts presented in it, the Opinion sets forth criteria and a framework of analysis that may be important for consideration by health systems and providers generally interested in the parameters for offering prompt pay discounts. The Opinion may be viewed at: <http://oig.hhs.gov/fraud/docs/advisoryopinions/2008/AdvOpn08-03A.pdf>. Please contact us with any questions.