Applicability: UW Medicine

Policy Title: Charge Waivers and Discounts

Policy Number: COM-006

Superseded Policies: Harborview Medical Center (HMC), 135.6 Courtesy Waivers, Discounts and Waivers of Co-Pays and Deductibles
Northwest Hospital (NWH), Waiver of Charges, Co-Pays and Deductibles
UW Medical Center (UWMC), 15-50 Waiver of Co-Pays and Deductibles

Date Established: November 17, 2014

Date Effective: December 1, 2014

Dates Revised: December 1, 2014

Next Review Date: December 1, 2017

PURPOSE AND SCOPE
This policy outlines the standards for waivers of charges and discounts for healthcare services for UW Medicine patients.

This policy is applicable to all UW Medicine entities except UW Physicians (UWP) and pertains to non-UWP professional and/or facility charges submitted by the entity. UWP’s policy was adopted by the UWP Board of Trustees in October 2010, is referenced and linked at the end of this policy and is congruous with this policy.

This policy is not applicable to adjustments and corrections made to patient accounts in accordance with applicable billing, coding and/or other policies and procedures or due to the need to repeat a service that was incomplete or inadequate.

POLICY PRINCIPLES/STATEMENT
UW Medicine prohibits the discounting of charges and waivers of co-pays, deductibles and patient balances for healthcare services provided to any patient, including UW Medicine workforce members, except as outlined in this policy.

DEFINITIONS
None.

POLICY
No individual will authorize a discounting or waiver of any portion of charges for healthcare services rendered at UW Medicine, except as follows:
1. Waiver of patient account.
   
   a. UW Medicine may decide to waive all or a portion of a patient’s bill in response to a specific issue as authorized by the entity risk management department and/or the appropriate administrative review and approval.

   Waivers for partial or full amounts of a patient’s bill in response to case-specific issues must be limited to the charges related to the particular issue and shall include all charges to the patient and third party payor, except in cases where UW Medicine Compliance approves the waiver of the patient balance only. Consult with UW Medicine Compliance and the appropriate entity financial official as needed. (Waivers for UWP member professional charges must be approved by the UWP Executive Director or Compliance Director.)

   b. A partial or full patient balance may be waived based on a determination of financial need in accordance with the entity-specific charity care and/or low income allowance policies.

2. Waiver of co-pay and/or deductible.

   a. A patient co-pay and/or deductible may be waived based on a determination of financial need in accordance with the entity-based charity care and/or low income allowance policies.

   b. UW Medicine may decide to waive only a patient co-pay and/or deductible, and not the third-party liability, for inpatient service charges provided under the Medicare inpatient prospective payment system.

   Such waivers are made without regard to the reason for admission, the length of stay or the diagnosis-related group (DRG). The waiver may not be claimed as bad debt (see 42 CFR 1001.952(k)).

3. Discounts applied in accordance with previously negotiated contractual agreements.

4. Discounts granted in accordance with entity-based cash discount policies, where applicable.

5. Account credits granted in accordance with the Valley Medical Center (VMC) Tax Dividend Program.

6. Exceptions as approved in writing by the appropriate financial official.

   a. Discounts and waivers under circumstances not listed above are prohibited without the express written permission of the appropriate entity or system financial official, in consultation with UW Medicine Compliance as needed.
REGULATORY/LEGISLATION/REFERENCES
- 42 CFR 1001.952(k) Waiver of Beneficiary Coinsurance and Deductible Amounts

PROCEDURE ADDENDUM(s)/REFERENCES/LINKS
- HMC, all applicable financial assistance, cash discount and charity care policies
- NWH, all applicable financial assistance, cash discount and charity care policies
- NWHMC Ambulatory Care Network, Clinic Billing-Waiver of Charges and Service Recovery, ADM001
- VMC, Hospital Patient Financial Services Department, Administering Valley Dividend Program, ADMG.1.9.B
- VMC, all applicable financial assistance, cash discount and charity care policies
- UWMC, all applicable financial assistance, cash discount and charity care policies
- UWNC, all applicable financial assistance, cash discount and charity care policies
- UWP, all applicable financial assistance, cash discount and charity care policies
- UWP, Charging

ROLES AND RESPONSIBILITIES
Defined within POLICY.

AUTHORITIES

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<tr>
<th>Custodian</th>
<th>Responsible Officer</th>
<th>Implementation Officer</th>
<th>Administrative Officer</th>
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<tbody>
<tr>
<td>UW Medicine Compliance</td>
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<td>UW Medicine Entity Billing / Financial Departments</td>
<td>UW Medicine Compliance</td>
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<tr>
<th>Author</th>
<th>Owner</th>
<th>Auditor</th>
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<td>UW Medicine Executive Compliance Committee</td>
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APPROVALS

UW Medicine Executive Compliance Committee 

Endorsed by 

November 17, 2014 

Date