



**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Touching Lives Every Day"*

## ***COMPLIANCE ALERT 10-27***

### ***OIG Advisory Opinion 10-04 allows for free insurance pre-authorization services to patients and physicians***

The Office of Inspector General (OIG) has issued an advisory opinion that allows a covered entity to provide offering of free insurance pre-authorization services for patients and physicians. The opinion stipulates in their opinion that the free services can be offered when:

- the service is offered on an equal basis to all patients and physicians without regards to the overall volume or value of expected or past referrals.
- No payments are made to the physicians by the hospital for the pre-authorization service and there are no agreements that would reward referrals.
- the entity handling the pre-authorizations operates transparently. Staff involved with the pre-authorizations should disclose to the insurers that they are representatives of the provider and disclose the nature of the program. The entity also needs to provide copies of all the information it submits to insurers to obtain pre-authorization.
- The entity has legitimate business interest in offering the uniform pre-authorization services

As background, the question came from a not-for-profit medical center with two community hospitals including outpatient departments. They work with another clinic to provide imaging services. The medical center and clinic wanted to establish a call center for free insurance preauthorization services for imaging services that were provided.

The OIG opinions always offer many caveats that this opinion only applies to this specific situation. However, in past practice, these published opinions have served as critical guidance for similar situations and are used for setting policy.

Source: OIG Advisory 10-27, Issued 4/30/10; Posted 5/6/10