

A Continued Examination of Charitable Patient Assistance Programs- Part Seven in a Series: Charitable PAPs: Donations and Transparency

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In today's challenging health care environment, Charitable Patient Assistance Programs (Charitable PAPs) have emerged to meet the needs of the nearly 30 million Americans that are underinsured and have difficulty paying out-of-pocket medical costs. As potential donors make strategic decisions to invest in Charitable PAPs, there are many elements that must be considered to ensure compliance with all applicable laws and regulations. For the previous alerts in the series, please refer [here](#).

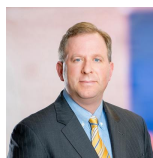
As Charitable PAPs are entrusted with donations to help patients, it is important that the organization is accountable to its donors and is in compliance with all relevant audit requirements. When considering a donation to a Charitable PAP, it is important to evaluate the organization's commitment to regular and thorough independent, third-party reviews to verify program and financial transparency and to validate operations:

- **Does the organization undergo regular, independent financial audits?** In most cases, non-profit 990s are prepared by an accredited and industry-recognized financial auditing firm typically named on the 990. Researching the firms can provide insight into the thoroughness of the audit.
- **Does the Charitable PAP agree to operate in a certain manner with its donors?** Is compliance audited? It is possible to request copies of compliance audits to make sure the organization is adhering to applicable requirements and restrictions as outlined to donors.

If more information is needed regarding Charitable PAP compliance procedures, please do not hesitate to contact the professionals at ML Strategies.

Authors

**Joseph
Hammang**



Alexander Hecht, Executive Vice President & Director of Operations

Alexander Hecht is Executive Vice President & Director of Operations of ML Strategies, Washington, DC. He's an attorney with over a decade of senior-level experience in Congress and trade associations. Alex helps clients with regulatory and legislative issues, including health care and technology.