

Examining Charitable Patient Assistance Programs Part Three in a Series: Using Third Parties to Evaluate Charitable PAPs

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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 which must be considered to ensure compliance with all applicable laws and regulations. For the previous alerts in the series, please refer [here](#).

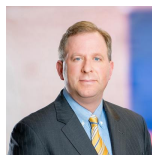
When considering donating to Charitable PAPs, consider the importance of third party validators to ensure that the donation is made to an upstanding and effective organization:

- **The Charitable PAP Seeks Third Party Validation.** Not only do reviews carry additional weight when done by third parties, the vetting requires a time and resource commitment, demonstrating a desire to meet high standards by the Charitable PAP.
- **Not All Evaluations Are Created Equal.** When contemplating a donation, look for evaluations from leading charity validators such as Charity Navigator, GuideStar, the Better Business Bureau, and the American Institute of Philanthropy.
- **Some Charitable PAPs May Not Meet Third Party Validation Requirements.** There are many validation points used to evaluate any non-profit; many of which are pulled from Charitable PAP's IRS Form 990.
- **How to Evaluate the Charitable PAP without Third Party Vetting.** As many metrics are pulled from an organization's Form 990, it is important to evaluate how large expenses are categorized. For example, do the Charitable PAPs largest expenses truly go to patient services? If not, how much does the organization spend on fundraising?

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

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