We investigate waiting list management from the viewpoint of a transplant center in the presence of the conditions of participation (COP). In order to encourage good transplant outcomes, COP penalizes centers with lower-than-expected one-year post-transplant survivals. Using patient and transplant-level data, we illustrate that a single COP threshold setting scheme (based on the national survival outcome average) across diverse transplant centers without a careful consideration of transplant centers' specifications (e.g., demographics and organ supply conditions) could induce cherry-picking of the candidates and the offered organs, thereby increasing waiting list mortality and organ discards. We demonstrate that COP lacks a net benefit approach by ignoring pre-transplant metrics and focusing only on post-transplant outcomes. We propose flexible truncation bounds, based on Lyapunov functions and fluid approximation of the waiting list size, to analyze a queuing model of transplant center-level waiting lists that captures important factors affecting the post-transplant survivals, including different organ qualities and patient health states, and health deterioration on the waiting list. Our model insights can guide policy makers to evaluate the effects of COP and consider segmenting transplant centers into groups, and setting appropriate post-transplant outcome expectations by group rather than simply tuning within a “one-size-fits-all” approach.