

# Medicare

# Outpatient Observation Notice



*Janet Miller*

*Center for Medicare*

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# Overview

## Medicare Outpatient Observation Notice

### *The MOON*

- What
- Why
- About

# What is the MOON?

- New Notice informing ...
    - FFS beneficiaries
    - Managed care enrollees
- ... that they are **outpatients**, rather than inpatients, in a hospital or CAH

# Why do we have the MOON?

- To reduce confusion:
  - Outpatient distinction often unclear
- Outpatient cost implications
- State laws: outpatient notice

# Why do we have the MOON?

- Unanimous passage
  - Enacted August 6, 2015

# About the MOON

- Written notice
- Verbal explanation
- For beneficiaries receiving outpatient observation services –
  - More than 24 hours
  - No later than 36 hours

# About the MOON

Must include:

- Reason for outpatient vs. inpatient
- Financial implications
  - Part B outpatient cost-sharing
  - Self-administered drugs

# About the MOON

Makes clear:

- Outpatient observation days will not count toward 3-day minimum inpatient stay required for Medicare-covered skilled nursing care



# About the MOON

Must be:

- Signed

And written in:

- Standardized format

- Plain language

# About the MOON

- Compatible with existing state laws
  - Deliver before 24 hours
  - Attach additional page
  - Attach state-required notice

# About the MOON

- Hospitals are required to deliver no later than:

March 8, 2017

- Released guidance with more specifics about MOON delivery.

# Learn More

[CMS.HHS.GOV/BNI](https://cms.hhs.gov/BNI)

[MOONMailbox@cms.hhs.gov](mailto:MOONMailbox@cms.hhs.gov)