

# Case Management Monthly

## Ask the expert: Questions from the MOON and back

Learning objective:

*At the completion of this educational activity, the learner will be able to:*

- *Discuss some common questions related to the Notice of Observation Treatment and Implication for Care Eligibility (NOTICE) Act requirements and Medicare Outpatient Observation Notice (MOON)*

As hospitals get ready to start notifying patients about their status under the requirements of the NOTICE Act using the MOON form, many still have questions about the process and the form itself.

The NOTICE Act requires hospitals to provide a verbal and written notice (using the MOON form) of outpatient status to any patient who has been in observation for more than 24 hours. The hospital must provide notice to the patient within 36 hours of the start of the service, or at the time of discharge or inpatient admission. "The notice must be provided no later than 36 hours after observation services are initiated or, if sooner, upon release," according to CMS.

CMS has also stated that "MOON will inform more than one million beneficiaries annually of the reason(s) they are an outpatient receiving observation services and the implications of such status with regard to Medicare cost sharing and coverage for post-hospitalization skilled nursing facility (SNF) services."

The following are some common questions about the notification, which were answered by **Ronald Hirsch, MD, FACP, CHCQM**, vice president of the Regulations and Education Group at R1 Physician Advisory Services in Chicago.

### **Q. Are hospitals required to deliver the MOON in its standard format or can they modify the language on the form?**

**A.** The wording of the MOON cannot be altered in any way. Hospitals may, however, add details in the "additional information" section and must also write the reason for observation in the appropriate spot on the form. Aside from these changes, you can only modify the MOON slightly to allow placement of a label or other identifier.

### **Q. Do you have any recommendations as to who is best suited to fill out the MOON form? Why?**

**A.** We are expecting additional guidance from CMS on this. As it stands now, I feel a registration clerk can present the form provided case managers and financial counselors are available if the patient has questions about the form.

The reason the patient is not inpatient is typically due to the fact that the patient does not meet the requirements spelled out in the 2-midnight rule to be admitted as inpatient. It is not likely that CMS would expect the physician to have to indicate a clinical reason, such as "your asthma attack is only mild and should get better in a day," in instances when a patient does not meet admission criteria.

The related story ["Filling out the MOON: Steps to help ensure accuracy"](#) provides information about who hospitals might select to deliver the MOON.

### **Q. What are the consequences if hospitals don't issue the MOON in the required time period or fail to deliver it entirely?**

**A.** The MOON has the same standing as the Important Message from Medicare (IMM). It is a federal document that must be completed and delivered as required. Compliance will be assessed by surveyors such as a state agency on behalf of CMS and the national accrediting agencies. The consequences of failing to deliver the MOON in a timely manner or at all would be similar to those imposed when organizations fail to deliver the IMM, with deficiencies and the need for correction plans.

### **Q. What is the organization's responsibility with regard to the MOON if a patient starts treatment as an outpatient but then is moved to inpatient status? Does the hospital still need to issue the MOON?**

**A.** If the patient received 24 or more hours of observation and had not yet received the MOON at the time he or she was moved to inpatient status, the hospital must still deliver the MOON with notation of the date and time of presentation.

**Q. What verbal notification is needed in addition to providing a completed MOON form?**

**A.** CMS states that an oral explanation of the MOON must accompany the written form. Ideally, officials say, it should be provided at the same time as the written notification.

We are expecting additional guidance from CMS but for now a simple explanation that the patient is in observation, that the notice explains it in detail, and that someone is available to answer questions should suffice.

Upon delivery of the notice, the patient or a person acting on his or her behalf must sign the MOON to acknowledge receipt. "In cases where such individual or person refuses to sign the MOON the staff member of the hospital or CAH providing the notice must sign the notice to certify that notification was presented," states CMS.

Hirsch advises hospitals to attach a copy of the Medicare brochure "[Are you an Inpatient or Outpatient](#)" or an internally designed form to each MOON.

*Editor's note: Do you have a question for our experts on MOON or another case management-related topic? Please email it to Kelly Bilodeau at [Kelly@phbphoto.com](mailto:Kelly@phbphoto.com), and we'll submit it to our panel of experts.*

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