

Medicare Outpatient Observation Notice

Patient name:

Patient number:

You're a hospital outpatient receiving observation services. You are not an inpatient because:

Being an outpatient may affect what you pay in a hospital:

- When you're a hospital outpatient, your observation stay is covered under Medicare Part B.
- For Part B services, you generally pay:
 - A copayment for each outpatient hospital service you get. Part B copayments may vary by type of service.
 - 20% of the Medicare-approved amount for most doctor services, after the Part B deductible.

Observation services may affect coverage and payment of your care after you leave the hospital:

- If you need skilled nursing facility (SNF) care after you leave the hospital, Medicare Part A will only cover SNF care if you've had a 3-day minimum, medically necessary, inpatient hospital stay for a related illness or injury. An inpatient hospital stay begins the day the hospital admits you as an inpatient based on a doctor's order and doesn't include the day you're discharged.
- If you have Medicaid, a Medicare Advantage plan or other health plan, Medicaid or the plan may have different rules for SNF coverage after you leave the hospital. Check with Medicaid or your plan.

NOTE: Medicare Part A generally doesn't cover outpatient hospital services, like an observation stay. However, Part A will generally cover medically necessary inpatient services if the hospital admits you as an inpatient based on a doctor's order. In most cases, you'll pay a one-time deductible for all of your inpatient hospital services for the first 60 days you're in a hospital.

If you have any questions about your observation services, ask the hospital staff member giving you this notice or the doctor providing your hospital care. You can also ask to speak with someone from the hospital's utilization or discharge planning department.

You can also call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Your costs for medications:

Generally, prescription and over-the-counter drugs, including “self-administered drugs,” you get in a hospital outpatient setting (like an emergency department) aren’t covered by Part B. “Self-administered drugs” are drugs you’d normally take on your own. For safety reasons, many hospitals don’t allow you to take medications brought from home. If you have a Medicare prescription drug plan (Part D), your plan may help you pay for these drugs. You’ll likely need to pay out-of-pocket for these drugs and submit a claim to your drug plan for a refund. Contact your drug plan for more information.

If you’re enrolled in a Medicare Advantage plan (like an HMO or PPO) or other Medicare health plan (Part C), your costs and coverage may be different. Check with your plan to find out about coverage for outpatient observation services.

If you’re a Qualified Medicare Beneficiary through your state Medicaid program, you can’t be billed for Part A or Part B deductibles, coinsurance, and copayments.

Additional Information (Vermont):

For more information see the Vermont Department of Health’s Medicare Observation Status information sheet that you got with this form.

Hospital Representative:

Patient was given the Vermont Department of Health Medicare Observation Status information sheet

Hospital representative providing notice:

Name	Title
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If the form was not signed by the patient or representative, provide reason:

If the form was not provided in person, describe how it was provided:

Please sign below to show you received and understand this notice.

Signature of Patient or Representative	Date / Time
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CMS does not discriminate in its programs and activities. To request this publication in alternative format, please call: 1-800-MEDICARE or email: AltFormatRequest@cms.hhs.gov.

You are in the hospital under observation. This means your health care provider needs to watch you or do more tests to understand your condition. However, your medical situation does not meet Medicare's rules for inpatient admission. Even though you are in the hospital and you may stay overnight, Medicare considers you an outpatient. **This affects what Medicare will pay for** while you are in the hospital and after you leave the hospital. **Your share of your hospital bills may be larger** than if you were an inpatient. **If you go to a skilled nursing facility (nursing home) after you leave the hospital, you might have to pay the full cost of your stay. You may also have to pay for medicine and supplies that you would normally use at home.**

Who will pay for my hospital services?

Medicare Part A does not cover outpatient services and will not pay for your observation stay.

If you have Medicare Part B:

- The hospital will bill Medicare Part B for your observation services.
- You will have to pay your Medicare Part B cost-sharing (deductible, co-insurance, co-payments) for each service you get while you are in the hospital. If you have other insurance like a Medigap policy or Medicaid, it may cover these costs. Contact your insurance provider to find out what they will cover.
- You may have to pay for medicine that you would normally take at home (like eye drops, inhalers, or medicine you take by mouth) because Medicare Part B does not cover most of these types of medicines. If you have a prescription drug plan (like Medicare Part D), it might help pay for these drugs. Contact your plan for more information.

If you do not have Medicare Part B:

- The hospital will bill any other insurance you have. Contact your insurance provider to find out what they will cover.
- If you do not have other insurance, the hospital will bill you for your hospital stay and observation services.

Who will pay for my care after I leave the hospital?

Medicare requires a 3-day inpatient hospital stay before it will cover care at a skilled nursing facility (nursing home). Observation time does not count toward this 3-day inpatient stay.

- An inpatient hospital stay begins the day the hospital admits you as an inpatient based on a doctor's order and does not include the day you are discharged.
- If you have Medicaid, a Medicare Advantage plan, or another health plan, Medicaid or the plan may have different rules for coverage of nursing home care after you leave the hospital. Check with Medicaid or your insurance provider.

Where can I get more information?

If you have any questions about your observation services, ask the hospital staff member giving you this notice or the doctor providing your hospital care. You can also ask to speak with someone from the hospital's billing or discharge planning department.

You can also call:

Medicare: 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Vermont's Office of the Health Care Advocate: 1-800-917-7787 or visit www.vtlawhelp.org/health

Vermont State Health Insurance Program (SHIP): 1-802-879-5900