



Medicare Assignment Letter

Dear Valued Patient:

The purpose of this letter is to help you understand your Medicare Part B benefits as they apply to services provided by your physician here at MorrisHealth.

GENERAL INFORMATION:

The Center for Medicare and Medicaid Services (CMS) and the Health Care Financing Administration (HCFA) determines who is eligible to give and receive Medicare services, what medical goods, services and procedures are covered and for what amount. CMS and HCFA make the rules and run the system.

When a physician or other health care provider enrolls to be a Medicare provider, he/she may choose to be a NON-PARTICIPATING PROVIDER (also referred to as “does not accept assignment”) or a PARTICIPATING PROVIDER (or “accepts assignment”).

- NON-PARTICIPATING PROVIDERS generally collect full payment for their services at the time of the patient’s visit; the provider files a claim with Medicare on the patient’s behalf, and the Medicare payment goes directly to the patient.
- PARTICIPATING PROVIDERS collect only deductibles and co-payments at the time of service; they also file the claim with Medicare. The Medicare payment goes to the physician. Participating Providers are paid 5% more than the MEDICARE ALLOWED AMOUNTS (described below).
- A “Non-Participating” provider can choose to “take assignment” on a case-by-case basis. When this happens, the payment is the LIMITING CHARGE (described below) discounted approximately 15%, and it is paid directly to the provider.

Generally, on January 1 of each year a new Medicare fee schedule, set by CMS and HCFA and approved by Congress, goes into effect. This fee schedule lists the LIMITING CHARGES and MEDICARE ALLOWED AMOUNTS for each of the thousands of medical services and supplies that you might receive from a Medicare provider.

- MEDICARE ALLOWED AMOUNTS are the base amounts that Medicare uses to calculate what they will pay for services.
- LIMITING CHARGES are the amounts that may be charged for services provided to anyone who is eligible for Medicare Part B benefits, whether or not that person has actually elected to be covered. These amounts are generally 15% above the Medicare Allowed Amounts.

A NOTE ON YOUR OFFICE VISIT CHARGE:

The rules that govern what ‘Level of Visit’ you have received are complex and specific, and we are required by Medicare to follow them. The fees for the different levels are dictated by Medicare.



J. Dan Morris, M.D. | MorrisHealth
3194 N. Windsong Drive | Prescott Valley, AZ
86314 Phone: 928-772-1505 | Fax: 928-772-6343

When determining the Level of Visit, there are a multitude of elements considered and documented. These include history of present illness, review of body systems, past family and social history, extent and level of detail of physical exam, number of diagnosis or management options, amount and/or complexity of data to be reviewed, and risk of complications and/or morbidity or mortality. For some services (such as ICU visits, counseling and Care Plan Oversight), time is also considered.

OUR MEDICARE PAYMENT POLICY:

All of the physicians at MorrisHealth are contracted with Medicare as NON-PARTICIPATING; this means that our physicians are Medicare providers who generally do not accept assignment. Under some circumstances we do accept assignment on certain claims, such as when there may be cognitive or social factors that will make the payment process difficult, or when special arrangements have been made with your physician.

Most of the secondary insurers have claims forwarded to them from Medicare—you should check with your insurer to see how they handle the claims process. Please be sure that your secondary insurer knows to send their payments directly to you.

Generally, our patients are expected to pay at the time of service. We send a batch of claims electronically to Medicare every weekday. After they've processed the claim, Medicare's payment is sent directly to you, usually within two to three weeks. Payments from secondary insurers vary, with most patients reporting they receive these payments within a month.

Our office has been set up with Medicare using the "NON-PAR" system since 1990. Usually this claims payment process goes without a hitch, but occasionally problems do arise. We work diligently to resolve any issues as soon as they come to our attention. Also if you need any paperwork to file with a secondary insurer, we are always happy to help.

We hope that this letter has helped you understand your Medicare Part B benefit and how it applies to our office's financial policy. Please feel free to come to us with any questions you still have. We look forward to assisting you.

Sincerely,

THE MORRISHEALTH DOCTORS AND STAFF