Medicare Outpatient Observation Notice
Frequently Asked Questions
March 8, 2017

Q1. How should hospitals and critical access hospitals (CAHs) complete the "You're a hospital outpatient receiving observation services. You are not an inpatient because:" free-text field?

A. The purpose of the MOON free-text field is to provide a clinical rationale for why the beneficiary is receiving observation services as an outpatient and is not an inpatient.

Observation care is a well-defined set of specific, clinically appropriate services, which include ongoing short term treatment, assessment, and reassessment, that are furnished while a decision is being made regarding whether patients will require further treatment as hospital inpatients or if they are able to be discharged from the hospital. Observation services are commonly ordered for patients who present to the emergency department and who then require a significant period of treatment or monitoring in order to make a decision concerning their admission or discharge.

The language provided in the free-text field should be reasonably understandable to the beneficiary and generally explain that:

- The physician has ordered outpatient observation services in order to evaluate the beneficiary's symptom(s) and diagnosis, if known; and

- The beneficiary's condition and symptoms will continue to be evaluated to assess whether they will need to be admitted as an inpatient of the hospital or whether they may be transferred or discharged from the hospital.

Q2. Does CMS plan to provide specific language or examples for the free-text field?

A. CMS does not plan to provide specific language or examples for the free-text field. We reiterate that hospitals and CAHs are responsible for populating the free-text field with a clinical rationale specific to each beneficiary's circumstances, based on the treating physician's clinical judgment. The clinical rationale should be reasonably understandable to the beneficiary.

Q3. Are hospitals and CAHs permitted to use pre-populated check boxes for the "You're a hospital outpatient receiving observation services. You are not an inpatient because:" free-text field?

A. Yes, hospitals and CAHs may develop and use pre-populated check boxes with common clinical explanations so long as a free-text field is retained for circumstances that do not fit within the pre-populated check boxes.

Q4. Are psychiatric hospitals subject to the NOTICE Act requirement to deliver the MOON?

A. Yes.

Q5. Is the MOON available in an alternate language or format?

A. The notice is available on the CMS website/Beneficiary Notices Initiative (BNI) webpage in both English and Spanish and pdf and Word formats.

With regard to translating the MOON into additional languages and presenting the MOON in alternate formats, such as braille, we believe –

- Based on hospitals' and CAHs' responsibility to provide language assistance to limited English proficiency (LEP) individuals, and consistent with section 1557 of the Affordable Care Act and section 504 of the Rehabilitation Act of 1973, hospitals and CAHs already have in place various procedures to ensure beneficiaries are able to understand Medicare notices.

- Hospitals and CAHs can further utilize those existing procedures to deliver the MOON.

Q6. Is it permissible to adjust or modify the format of the MOON?

A. Because the language in the MOON has been approved by the Office of Management and Budget (OMB), providers may only modify the document text as per CMS guidance (e.g., the free text field). Providers also may not change standardized OMB-approved notice formatting, such as moving a signature line from the back to the front page of the MOON or continuing the MOON on a 3rd page.

Q7. Are hospitals and CAHs required to issue the MOON to Medicare Advantage enrollees?

A. Yes, hospitals and CAHs must issue the MOON to beneficiaries in Original Medicare (fee-for-service) and Medicare Advantage enrollees, in accordance with CMS guidance.

Q8. What is the implementation date for the MOON?

A. When CMS posted the finalized MOON and form instructions on the CMS website on January 8, 2017, hospitals and CAHs were directed to begin using the MOON, no later than **March 8, 2017.**

Please refer to the CMS BNI page for the latest MOON implementation information:

www.cms.gov/Medicare/Medicare-General-Information/BNI/index.html?redirect=/bni.