
“Notice of Denial of Medical Coverage” Hospital Observation Level of Care

What is it?

A standardized notice developed by CMS that the provider of service must deliver to the Quartz Medicare Advantage (HMO) member, or their authorized representative, when denying coverage for all, or part of a hospital observation stay.

This is a CMS notice and must be used in the format provided. Only information in the requested areas can be added. An electronic copy of the notice can be found on the provider page at QuartzBenefits.com/MedicareAdvantage.

Why is it needed?

- To inform Quartz Medicare Advantage members or their authorized representative of their financial liability.
- To inform Quartz Medicare Advantage members of their appeal rights.

When is it given?

- Notice is given if the member disagrees with the provider’s determination that stay in an observation level of care is medically unnecessary. (Includes unnecessary admission to an observation level of care or unnecessary continued stay in an observation bed.)

How is it delivered?

Provider of services should follow the four steps below:

Step 1: Identify when notice needs to be delivered.

Step 2: Fill in the designated spots on the notice in at least 12 point font (i.e., Arial)

Step 3: Deliver the notice to the member or their authorized representative, along with the “Important Information About Your Appeal Rights” document.

Step 4: Fax the signed and dated notice to Quartz Medicare Advantage at (608) 881-8397. The provider should give a copy of the notice to the member and retain the original notice in the patient’s case file.