

Part B Insider (Multispecialty) Coding Alert

READER QUESTION: CMS Says No-Show Fee Is OK - Sometimes

Question: Did Medicare change its billing policy for missed appointments? What does the policy say?

Answer: CMS issued an MLN Matters article about its policy for charging for missed appointments (MLN Matters article 5613).

The good news: You now have a very clear answer regarding whether you can charge fees to Medicare patients if they miss an appointment. That answer is yes, with a few caveats.

Caveat 1: Your no-show charge policy needs to apply to both Medicare and non-Medicare patients. You cannot discriminate against Medicare patients by only charging them and not your other patients who miss appointments. You also have to charge the same amount to all patients.

Caveat 2: You should not bill Medicare for the missed appointment. Instead, bill the patient directly. If you do bill a missed appointment to Medicare, your claim will be denied, citing reason code 204 (**-This service/equipment/drug is not covered under the patient's current benefit plan-**).

Hospitals: In most cases, if you bill for a hospital outpatient department, you'll be able to charge a beneficiary a missed-appointment charge. -In the event, however, that a hospital inpatient misses an appointment in the hospital outpatient department, it would violate 42 CFR 489.22 for the outpatient department to charge the beneficiary a missed-appointment fee,- the MLN Matters article indicates.

Caution: Be sure to check with your non-Medicare payers to see if they have a problem with charging a no-show fee before doing so.

Note: The implementation date for this CMS policy was Oct. 1, 2007.