Patient Name: ___________________ Patient ID: _____________ Physician: ___________________  
Date: ___________________ Time: ___________________

Medicare Outpatient Observation Notice (MOON)

On [Date] at [Time], you began receiving observation services at [Hospital Name].

You’re a hospital outpatient receiving observation services, also called an observation stay. You are not an inpatient.

Observation services:
- Are given to help your doctor decide if you need to be admitted as an inpatient or discharged;
- Are given in the emergency department or another area of the hospital; and
- Usually last 48 hours or less.

How being an outpatient affects what you may have to pay: Being a hospital outpatient affects the amount you may have to pay for your time in the hospital and may affect coverage of services after you leave the hospital.

Medicare Part B covers outpatient hospital services, including observation services when they are medically necessary. Generally, if you have Medicare Part B, you may pay:
- A copayment for each individual outpatient hospital service that you get; and
- 20 percent of Medicare-approved amount for most doctor services, after the Part B deductible.

Part B copayments may vary by type of service. In most cases, your copayment for a single outpatient hospital service won’t be more than your inpatient hospital deductible. However, your total copayment for all outpatient services may be more than the inpatient hospital deductible.

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 are determined by your plan. Check with your plan about coverage for outpatient observation services.

If you are a Qualified Medicare Beneficiary through your state Medicaid program you cannot be billed for Part A or Part B deductibles, coinsurances, and copayments.

Your costs for medications:
Generally, prescription and over-the-counter drugs, including “self-administered drugs,” given to you by the hospital in an 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 patients 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 in certain circumstances. 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.

NOTE: Medicare Part A generally doesn’t cover outpatient hospital services, like an observation stay. However, if inpatient hospital services become necessary for you and the hospital admits you as an inpatient based on a doctor’s order, generally Medicare Part A will cover inpatient services. Generally, you’ll pay a one-time deductible for all of your inpatient hospital services for the first 60 days you’re in a hospital. Medicare Part B covers most of your doctor services when you’re an inpatient. You may have to pay 20 percent of the Medicare-approved amount for doctor services after paying the Part B deductible.
How 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 have a prior qualifying inpatient hospital stay. A qualifying inpatient hospital stay means you’ve been a hospital inpatient (you’re admitted to the hospital as an inpatient after your doctor writes an inpatient admission order) for a medically necessary stay of at least 3 days in a row (not counting your discharge day) within a short time before you enter a SNF.

If you have a Medicaid, Medicare Advantage or other health plan, Medicaid or the plan may have different rules about qualifying for SNF services after you leave the hospital. Check with Medicaid or your plan.

Additional Information:

If you have any questions about your observation services, please ask the hospital staff member providing 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. In addition, you can call 1-800-MEDICARE (1-800-633-4227), or TTY: 1-877-486-2048.

If you have a complaint about the quality of care you’re getting during your outpatient stay, you may contact the Quality Improvement Organization (QIO) for this hospital.

QIO Name: ____________________________  QIO phone number: ____________________________

If you have a Medicare Advantage or other health plan, you can make your complaint about quality of care by filing a grievance with your plan. Review your plan materials or contact your plan for information on how to file a grievance. You can also make a complaint about quality of care to the QIO listed above.

Please sign and date here to show you received this notice and understand what it says.

Signature of Patient or Representative  Date/Time

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Form CMS-XXXXX (expiration date xx-xx-xxxx)