Troy Medicare Policy and Procedure

Title: Denials and Terminations
Policy Number: UM - 003

Primary Department: Utilization Management
LOB: Medicare Advantage and DSNP
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Effective Date: 11/1/22
Original Date: 
Review Date(s): 
Archive Date: 

Interactive Related Department(s)
☐ All Departments
☐ Compliance
☒ Medical Management
☐ Provider Operations
☐ Sales and Marketing
☐ Appeals and Grievances
☐ Pharmacy
☐ Member Services
☐ Quality Management
☒ Utilization Management
☐ Care Management
☐ Enrollment
☐ Plan Administration
☐ Claims
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Disclaimer: Troy Utilization Management applies CMS criteria and guidelines, National Coverage Determinations (NCD), Local Coverage Determinations (LCD), Troy Policies, and MCG for determining medical necessity. Troy Health Policies are intended to provide a standard guideline but are not used to preempt providers’ judgment in rendering services. Providers are expected to provide care based on best practices and use their medical judgment for appropriate care.

POLICY PURPOSE

Troy Health, Inc. is committed to comply with all regulations and requirements for Medicare Advantage Plans.

The purpose of this policy is to establish Troy Medicare’s procedures as to when and how to use the , Notice of Medicare Non-Coverage (NOMNC), Detailed Explanation of Non-Coverage (DENC), Notice of Denial of Coverage for Services (NDCS) and the Detailed Notice of Discharge (DND).

SCOPE

This policy is to define how the denial and termination templates within the Utilization Management (UM) department are to be used. The execution of the templates in regard to timeliness and specific recipients are not within the scope of this policy.

REFERENCES

- 42 CFR §§422.620 – 422.626
- Medicare Managed Care Manual Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance
RESPONSIBLE PARTIES
- Vice President, Health Services
- Chief Medical Officer

POLICY
When rendering an adverse determination, in whole or in part, denials and terminations of services are to be finalized and delivered with the appropriate notices and verbiage to providers and members.

PROCEDURE

1. Detailed Notice of Discharge (DND):
   a. The DND is only necessary when a fast appeal, for a decision that inpatient hospital care is no longer necessary, has been filed with the BFCC-QIO.

2. Notice of Medicare Non-Coverage (NOMNC):
   a. The NOMNC is to be used for termination of ongoing Skilled Nursing Facility (SNF), Comprehensive Outpatient Rehabilitation Facility (CORF), and Home Health Agency (HHA) services.
   b. The Last Covered Date (LCD) on a NOMNC is the last approved date (LAD). This is the last day of coverage. All days after the stated LCD are not covered.

3. Detailed Explanation of Non-Coverage (DENC):
   a. The DENC is only necessary when a fast appeal has been filed with the Beneficiary and Family Centered Care Quality Improvement Organization (BFCC-QIO) regarding a SNF, CORF, or HHA LCD.

4. Notice of Denial of Coverage for Services (NDCS):
   a. The NDCS is issued to contracted providers for adverse determinations, in whole or in part, of post-service and unplanned admissions in which the member is held harmless and not financially liable above their obligated copays and deductibles per their contract with Troy.

ATTACHMENTS/RELATED POLICIES/STANDARD OPERATING PROCEDURES
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APPROVALS

Chief Medical Officer