



Troy Medicare Policy and Procedure

Title: Denials and Terminations		Policy Number: UM - 003	
Primary Department: Utilization Management	LOB: Medicare Advantage and D-SNP		Author: J Murphy
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Interactive Related Department(s)			
<input type="checkbox"/> All Departments <input type="checkbox"/> Compliance <input checked="" type="checkbox"/> Medical Management <input type="checkbox"/> Provider Operations <input type="checkbox"/> Sales and Marketing	<input checked="" type="checkbox"/> Appeals and Grievances <input type="checkbox"/> Pharmacy <input type="checkbox"/> Member Services <input type="checkbox"/> Quality Management <input checked="" type="checkbox"/> Utilization Management	<input type="checkbox"/> Care Management <input type="checkbox"/> Enrollment <input type="checkbox"/> Plan Administration <input type="checkbox"/> Claims <input type="checkbox"/> Other _____	

Disclaimer: Troy Medicare Utilization Management applies CMS criteria and guidelines, National and Local Coverage Determinations (NCD/LCD), Clinix Internal Review Guidelines, Troy Utilization Review Policies, and MCG (Milliman Criteria Guidelines) Criteria. This suite of guidelines covers the spectrum of inpatient, outpatient, and rehabilitation, and care for medical, surgical, and behavioral health issues. In addition, Troy partners with vendors who provide clinical expertise for specific services.

POLICY PURPOSE

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). The execution of the templates in regard to timeliness and delivery are not within the scope of this policy.

Troy Medicare is committed to complying with federal and state rules and regulations, including health care fraud and identity theft laws.

SCOPE

This policy applies to all employees and delegates that are involved in the issuance 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).

REFERENCES

- 42 CFR Part 422 Subpart M, Grievances, Organization Determinations and Appeals
- 42 CFR §§422.620 – 422.626
- 42 CFR §§422.2267
- [Medicare Managed Care Manual Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance](#)

RESPONSIBLE PARTIES

- Chief Clinical Officer
- Chief Medical Officer

DEFINITIONS

- Adverse (Benefit) Determination - when a Medicare Advantage plan denies a benefit, refuses to pay for a service that has already been received, or rescinds coverage, this is called an adverse benefit determination.
- Beneficiary and Family Centered Care-Quality Improvement Organizations (BFCC-QIO) - are QIOs that help Medicare beneficiaries with their concerns about the quality of care they receive from a Medicare provider.
- Denial - is a notification that a person with Medicare will no longer receive coverage, or that you will only receive coverage for a previously authorized treatment at a reduced level.
- Medical Exigency Standard - is the requirement that a Medicare health plan and related entities must make decisions as expeditiously as the enrollee's health condition requires.
- Quality Improvement Organization (QIO) - is a group of health quality experts, providers, and consumers organized to improve the quality of care delivered to people with Medicare.
- Termination - is the discharge of an enrollee from covered provider services, or discontinuation of covered provider services, when the enrollee has been authorized by the Medicare Advantage plan, to receive an ongoing course of treatment from that provider. Termination includes cessation of coverage at the end of a course of treatment preauthorized in a discrete increment, regardless of whether the enrollee agrees that such services should end.

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. Troy Medicare will issue the DND (Form CMS-10066) upon notification by a BFCC-QIO that an enrollee has requested an immediate review of a decision that inpatient hospital care is no longer necessary.
2. Notice of Medicare Non-Coverage (NOMNC):
 - a. The NOMNC (Form CMS-10123) will be issued for the termination of ongoing Skilled Nursing Facility (SNF), Comprehensive Outpatient Rehabilitation Facility (CORF), Home Health Agency (HHA; including psychiatric home health) and Hospice services. The Last Covered Date (LCD) on a NOMNC is the last approved date. This is the last day of coverage by Troy Medicare. All days after the stated LCD are not covered.

3. Detailed Explanation of Non-Coverage (DENC):

- a. Troy Medicare will issue the DENC (Form CMS-10124) when an immediate review (or fast-track appeal) has been filed with the BFCC-QIO regarding a SNF, CORF, Hospice or HHA LCD stay.

4. Notice of Denial of Medicare Coverage (or Payment), or Integrated Denial Notice

- a. Troy Medicare will issue the Notice of Denial of Medical Coverage (or Payment), also known as the Integrated Denial Notice (IDN), (Form CMS-10003) upon denial, in whole or in part, of an enrollee's request for coverage and upon discontinuation or reduction of a previously authorized course of treatment. The IDN will inform enrollees of their appeal rights, as applicable, upon denial of coverage of items and services, and for discontinuation or reduction of a previously authorized course of treatment.

Troy Medicare must make coverage decisions as expeditiously as the enrollee's health condition requires, and in accordance with the timelines as specified in 42 CFR Part 422 Subpart M.

ATTACHMENTS/RELATED POLICIES/STANDARD OPERATING PROCEDURES

- UM-006 Prior Authorization Organization Determinations
- UM-008 Medical Necessity Guidelines for Coverage Determination
- UM-012 Timeframes for Review Policy

APPROVALS

Jennifer Murphy
Jennifer Murphy (Nov 24, 2025 09:31:01 EST)

Chief Clinical Officer

11/24/2025

Date

Sally Scott
Sally Scott (Nov 23, 2025 22:39:41 EST)

UM Committee

11/23/2025

Date

Revision History

Revision Date	Revised by Whom	Revisions Made
8/30/2023	J Murphy	Updated regulatory references, added the IDN, and clarified use of other forms.
12/7/2023	J Murphy	Annual review by Utilization Management Committee
11/11/2024	J Murphy	Revised disclaimer, scope, references, definitions, procedure and related policies. Annual review by Utilization Management Committee
11/10/2025	J Murphy	Updated purpose, Annual review by Utilization Management Committee