



Troy Medicare Policy and Procedure

Title: Denials and Terminations			Policy Number: UM - 003
Primary Department: Utilization Management	LOB: Medicare Advantage and DSNP	Author: J Murphy	
Effective Date: 11/1/2022	Original Date: 11/1/2022	Review Date(s): 8/30/2023, 12/7/2023	Archive Date:
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 Coverage Determinations, Local Coverage Determinations, Troy Policies, and other Medicare coverage guidance for determining medical necessity. Troy Medicare 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 Medicare is committed to complying with federal and state rules and regulations.

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 delivery are not within the scope of this policy.

REFERENCES

- 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

- Vice President, Health Services
- 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.
- **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.

ATTACHMENTS/RELATED POLICIES/STANDARD OPERATING PROCEDURES

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APPROVALS

Jen Murphy

Vice President, Medical Management

12 / 21 / 2023

Date:

L. Scott

Utilization Management Committee

12 / 20 / 2023

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