

Medicare Outpatient Observation Notice (MOON)

- May we deliver and maintain the MOON electronically?

Yes, you may deliver and electronically maintain the MOON. If a hospital or CAH elects to deliver a MOON viewed on an electronic screen before signing, the beneficiary must be given the option of requesting paper delivery over electronic delivery if that is what the beneficiary prefers. Regardless of whether a paper or electronic version is delivered and regardless of whether the signature is digitally captured or manually penned, the beneficiary must be given a paper copy of the MOON with the required beneficiary specific information inserted, at the time of notice delivery.

Full MOON instructions can be found at Section 400 of Chapter 30 in the Medicare Claims Processing Manual, located here. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c30.pdf>

- How should hospitals and critical access hospitals (CAHs) complete the “You’re a hospital outpatient receiving observation services. You are not an inpatient because:” free-text field?

The purpose of the MOON free-text field is to provide a clinical rationale for why the beneficiary is receiving observation services as an outpatient and is not an inpatient.

Observation care is a well-defined set of specific, clinically appropriate services, which include ongoing short-term treatment, assessment, and reassessment, that are furnished while a decision is being made regarding whether patients will require further treatment as hospital inpatients or if they are able to be discharged from the hospital. Observation services are commonly ordered for patients who present to the emergency department and who then require a significant period of treatment or monitoring in order to make a decision concerning their admission or discharge. The language provided in the free-text field should be reasonably understandable to the beneficiary and generally explain that:

- The physician has ordered outpatient observation services in order to evaluate the beneficiary’s symptom(s) and diagnosis, if known; and
- The beneficiary’s condition and symptoms will continue to be evaluated to assess whether they will need to be admitted as an inpatient of the hospital or whether they may be transferred or discharged from the hospital.

CMS does not plan to provide specific language or examples for the free-text field. We reiterate that hospitals and Critical Access Hospitals (CAHs) are responsible for populating the free-text field with a clinical rationale specific to each beneficiary’s

circumstances, based on the treating physician's clinical judgment. The clinical rationale should be reasonably understandable to the beneficiary.

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- Are hospitals and CAHs permitted to use pre-populated check boxes for the "You're a hospital outpatient receiving observation services. You are not an inpatient because:" free-text field?

Yes, hospitals and CAHs may develop and use pre-populated check boxes with common clinical explanations so long as a free-text field is retained for circumstances that do not fit within the pre-populated check boxes.

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- Are psychiatric hospitals required to deliver the MOON?

Yes, psychiatric hospitals are under the same requirements as hospitals and CAHs for MOON delivery.

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- Are hospitals and CAHs required to deliver the MOON to Medicare Advantage enrollees?

Yes, hospitals and CAHs must deliver the MOON to beneficiaries in Original Medicare (fee-for-service) and Medicare Advantage enrollees, in accordance with CMS guidance.

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