

Medicare Benefit Policy Manual

Chapter 15 – Covered Medical and Other Health Services

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(Rev. 62, 12-22-06)

40.39 - Claims Denial Notices to Beneficiaries

(Rev. 1, 10-01-03)

B3-3044.39

To ensure that the notice to the beneficiary indicates the proper reason for denial of payment, the carrier must include language in the notice appropriate to particular circumstances as follows:

- It must use the following MSN message when the claim is submitted **inadvertently** by the opt-out physician/practitioner:

MSN # 21.20 - “The provider decided to drop out of Medicare. No payment can be made for this service. You are responsible for this charge.”
- It must use the following message when the claim is submitted **knowingly and willfully** by the opt-out physician/practitioner:

MSN # 21.19 - “The provider decided to drop out of Medicare. No payment can be made for this service. You are responsible for this charge. Under Federal law your doctor cannot charge you more than the limiting charge amount.”
- It must use the following message when the claim is submitted by the beneficiary for a service furnished by an opt-out physician/practitioner:

MSN # 21.20 - “The provider decided to drop out of Medicare. No payment can be made for this service. You are responsible for this charge.”