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Providers May Charge for Missed Appointments, But...

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Recently, CMS released a revision to its Medicare Claims Processing Manual (Transmittal 1279, adding section 30.3.13 "Charges for Missed Appointments") clarifying that physicians and suppliers may charge beneficiaries for missed appointments provided that they charge all of their patients, both Medicare and non-Medicare, and do not discriminate against Medicare beneficiaries. The Manual revision does not represent a change in CMS policy. Physicians and suppliers have historically been able to charge beneficiaries for missed appointments, so long as their missed appointment policy was not discriminatory. CMS' new policy, however, clearly articulated and renders accessible what had been an unwritten Medicare policy. That Medicare permits a non-discriminatory missed appointment fee, however, does not necessarily mean that providers are free to charge one.

Since a charge for a missed appointment is not a "covered service," Medicare's assignment and limiting rules do not apply. As the transmittal explains, "The charge for a missed appointment is not a charge for a service itself (to which the assignment and limiting charge provisions apply), but rather is a charge for a missed business opportunity. Therefore, if a physician's or supplier's missed appointment policy applies equally to all patients (Medicare and non-Medicare), then the Medicare law and regulations do not preclude the physician or supplier from charging the Medicare patient directly." Before providers may charge, then, they must ensure that they can charge all patients, both Medicare and private insurance patients, equally. Making this determination requires a close review of all of a provider's third-party payor contracts. Missed appointment fees are not permitted under all third-party payor contracts. In fact, some contracts specifically prohibit charging patients directly, even for services that would otherwise be considered "non-covered." Similarly, these obligations may not even be clearly spelled out in a provider's contract; they may be listed separately as part of a manual or collection of billing policies.

CMS' clarification has made its position on missed appointment charges clear, but implementation of a "missed appointment fee" in practice may depend entirely on the not-so-clear policies of other third party payors. Providers intending to charge a missed appointment fee should review their third party payor contracts carefully or, even better, contact their payors directly and obtain confirmation that assessing this fee will not violate any aspect their provider agreement. Bottom line: You can charge a reasonable "missed appointment fee" if you can and do charge the fee to all your patients.

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