Frequently asked questions

regarding Medicare participation options

1) How does the Medicare Access and CHIP Reauthorization Act (MACRA) affect my Medicare participation decision?

   Payment adjustments due to the Quality Payment Program (QPP) established by MACRA are one factor for physicians to consider in their annual Medicare participation decisions. These payment adjustments, whether negative or positive, do not apply to unassigned claims from non-participating physicians. As there is a two-year lag between the year that a physician reports and the year in which the payment adjustments are applied, physicians will know well before the participation decision period in November and December of each year whether or not to expect a negative or positive QPP adjustment the subsequent calendar year. Physicians who anticipate a negative adjustment may be able to avoid it by switching from participation to non-participation. The reverse is also true. Non-participating physicians who are expecting a positive QPP adjustment (for example, if their group successfully reported as a group) could switch to participation in order to benefit from the positive adjustment.

2) I understand that physicians who opt out of Medicare and privately contract with their patients cannot submit any Medicare claims for two years. Are there any other restrictions, such as ordering tests or hospitalizing their patients?

   Physicians who have opted out may still order tests from other Medicare providers who have not opted out and can admit their patients to a hospital, but it is a good idea to check with your hospital first to make sure this doesn't conflict with its own policies.

3) How can a patient who is seeing a non-participating physician for their medical care get paid by Medicare? As I understand it, no payment is made to the patient when they see a non-participating physician.

   Non-participating physicians can decide on a claim-by-claim or patient-by-patient basis whether or not to accept assignment. When they accept assignment, Medicare makes the payment directly to the physician and collects the 20 percent coinsurance from the patient, but the physician cannot collect the full limiting charge amount. For unassigned claims, Medicare reimburses the patient and the physician collects the entire limiting charge amount from the patient.

4) Since so many physicians in my area have stopped taking Medicare, am I able to simply limit the number of new Medicare patients I accept so that I am not overwhelmed with Medicare patients? It seems better than refusing all Medicare patients.

   Yes. It's up to each physician how many new Medicare patients they accept in their practice.

5) I am thinking of opting out of Medicare. How will this affect my seeing patients covered by other insurance plans?

   If you have contracts with other plans it is a good idea to check those contracts before you file your opt-out affidavit and see if they require you to be participating in Medicare.

6) If I have opted out of Medicare, can I still do locum tenens work if the billing is submitted under the physician's NPI for whom I am providing vacation coverage?

No. Physicians who choose to privately contract cannot submit a claim to Medicare for any service furnished to a Medicare beneficiary during the opt-out period, nor can they permit any entity acting on their behalf to submit a claim to Medicare for services furnished to a Medicare beneficiary. There would be an exception for emergency services provided under a locum tenens arrangement.

7) I submitted my affidavit to opt out of Medicare but have received no confirmation from Medicare other than my certification of the mail delivery. Should I be receiving a letter of confirmation from the Medicare contractor prior to my official date of opting out?

No. Current Medicare law simply requires a participating physician to "submit" the affidavit to the Medicare carrier at least 30 days before the beginning of the selected calendar quarter and the contract then becomes effective at the beginning of that quarter. Therefore, if you have submitted the proper affidavit and have certification that it was received, the opt out would begin on Jan. 1.

8) If I opt out of Medicare and start privately contracting with my patients then join a new practice a year later and need to start participating in Medicare again, can I opt back in?

No. After the initial 90-day period when physicians can change their minds, there is no ability to rejoin the Medicare program until after the two-year period has elapsed.

9) If I opt out of Medicare, can I still be reimbursed for seeing Medicaid patients?

As the private contracting law is currently written, the private contracting option applies to Medicare only. If you opt out of Medicare, this does not mean you have opted out of Medicaid, and nothing in the Medicare private contracting law precludes a physician from participating in Medicaid. Any Medicaid restrictions that apply to private contracts would be governed by each state, and we are not aware of any states that address private contracting.

10) Current law says that a physician who has opted out of Medicare may furnish "emergency care services" or "urgent care services" to a Medicare beneficiary with whom the physician or practitioner has not previously entered into a private contract, provided the physician or practitioner complies with the Medicare billing. What would constitute an emergency medical condition or an urgent health care situation?

Medicare regulations define an emergency medical condition as "a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, with an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in: (i) serious jeopardy to the health of the individual or, in the case of a pregnant woman, the health of the woman or her unborn child; (ii) serious impairment to bodily functions; or (iii) serious dysfunction of any bodily organ or part." An urgent health care situation is defined as "services furnished to an individual who requires services to be furnished within 12 hours in order to avoid the likely onset of an emergency medical condition."

11) If I have opted out of Medicare, will I remain opted out unless—and until—I opt back in?

Yes. Due to AMA advocacy, Congress changed the law that previously required physicians to renew their opt out status every two years. Renewals are no longer required.

If you have questions that are not addressed in this document, please contact the AMA at medicareoptions@ama-assn.org.

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