

Opting Out of Medicare

Federal regulations prohibit Medicare Advantage organizations, including Highmark Blue Cross Blue Shield of Western New York, from paying for services rendered by physicians or providers who have opted to not participate in the Medicare program, except in limited circumstances.

A Medicare Advantage organization may only contract with physicians who are approved for participation in the Medicare program and who have not opted out of providing services to Medicare beneficiaries (see Social Security Act § 42 CFR § 422.220). Physicians who opt out of Medicare cannot participate in our Medicare Advantage networks: Senior Blue HMO and Forever Blue Medicare PPO.

Current Medicare rules do not allow a provider to reapply for participation with Medicare until the end of the two-year opt-out period. Highmark BCBSWNY will not cover any services rendered by physicians or their sponsored mid-level practitioners on or after the effective date of nonparticipation with Medicare, unless it is demonstrated that the service was eligible for payment as emergency or urgently needed under applicable Medicare standards.

The Centers for Medicare & Medicaid Services (CMS) have specific rules providers must follow regarding opting out of Medicare. Some of the rules could affect your business financially, such as the requirements under Social Security Act §1848(g)(1) and/or 1848(g)(3).

CMS regulations also require a “private contract” between the Medicare beneficiary and their provider who opted out of Medicare.

The private contract must include certain language, such as but not limited to, that the Medicare beneficiary agrees to give up Medicare payment including payment from Medicare Advantage plans, for services furnished by the opt-out provider and to pay the provider for said services.

The requirements and possible exceptions are outlined in the CMS Medicare Benefit Policy Manual, Chapter 15 Covered Medical & Other Health Services. Visit <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c15.pdf> to view Chapter 15.

If your status with Medicare changes, please notify your provider relations account specialist promptly at (716) 887-2054 or 1-800-666-4627. Visit ngsmedicare.com for more information regarding New York State providers who opt out of Medicare.