Medicare, Medicare replacement companies and some commercial insurance companies require that your physician and
the hospital determine the correct billing status for your hospital stay based on established clinical guidelines
determined by the Federal Government that consider the severity of your illness and the services your physician has
ordered.

Based on these guidelines and your current treatment plan, your physician has determined that your billing status for this
hospital stay is **Outpatient Observation**, which means that:

- Your expected length of stay in the hospital is 24 to at most 48 hours. Your physician will decide your actual
  length of stay based on your progress.
- You have an outpatient billing status, even though you are in a hospital bed and receive some of the same
  services as an inpatient.

**Commercial insurances, Medicare Managed Care and/or Medicare Advantage Patients:**

- Your co-pays and deductibles will be based on the outpatient terms of your health insurance benefits.
- Most Medicare Managed Care and/or Medicare Advantage plans do not require a three day qualifying
  inpatient stay prior to admission to a skilled nursing facility, but may vary depending on the plan.

**Medicare Patients:**

- This stay will be billed under Medicare Part B, the same part of Medicare that covers office visits and
  outpatient tests.
- You (or your supplemental insurance carrier, if any) will be responsible for any unpaid portion of your yearly
  Part B deductible and for the 20% co-payment.
- You may be liable for some charges of your bill if they are not covered under Medicare Part B.
- Medicare Part B does not cover medicine (prescription or over the counter) you usually take at home while you
  are in the hospital in Outpatient Observation. That means you will have to pay for the medicine furnished by
  the hospital.
- If you are enrolled in a Medicare drug plan (Part D) or have a secondary health insurance payer who covers
  your medications, then the drugs may be covered. **You** are responsible for submitting any claims and producing
  any information required for your reimbursement to your drug plan.
- Your time in Outpatient Observation does not count toward the three-day inpatient stay requirement for
  admission to a skilled nursing facility under Medicare.

- If your condition changes and a longer hospital stay is needed, your physician can convert your stay to inpatient
  status provided that you meet the clinical guidelines mentioned above.

You may ask to speak with your care manager if you have any questions regarding this Notice.

<table>
<thead>
<tr>
<th>Signature of Patient or Authorized Representative</th>
<th>AM</th>
<th>PM</th>
<th>Date</th>
<th>Time</th>
<th>Interpreter Signature (if applicable)</th>
<th>AM</th>
<th>PM</th>
<th>Date</th>
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