



Part B Excess Charges

A Medicare Scholar Presentation

Lower Costs with Assignment

- **Assignment** – means that your doctor, provider, or supplier agrees (or is required by law) to accept the Medicare-approved amount as payment in full for covered services
- Doctors, providers and suppliers that accept Medicare assignment are called Participating, or PAR Providers

Lower Costs with Assignment

Here's what happens if your doctor, provider, or supplier accept assignment:

- Your out-of-pocket costs may be less
- They agree to charge you only the Medicare deductible and coinsurance amount, and usually wait for Medicare to pay its share before asking you to pay yours
- They have to submit your claim directly to Medicare, and can't charge you for submitting the claim

Non-Participating Providers

- These providers accept Medicare insurance, but do not agree to take assignment on all cases
- While non-participating providers have agreed to accept Medicare insurance, they do not agree to Medicare's approved amount for services
- They are not required to submit your claims to Medicare

Non-Participating Providers

- Can charge up to 15% more than Medicare's approved amount – these are called Part B Excess Charges
- Your responsibility increases from 20% on Part B services to 35%
- Medicare will pay you for the services (minus your portion), and you must then pay the provider in full

Excess Charge Example

If you see a Participating Provider for a service with a Medicare-approved amount of \$100:

- Medicare pays 80% \$80
- You pay 20% \$20

Your total out-of-pocket cost is \$20

Excess Charge Example

If you see a Non-Participating Provider for the same service, they are limited to 95% of Medicare's original fee schedule, so \$95:

- Medicare pays 80% \$76
- You pay 20% \$19
- Plus 15% Excess Charge \$14.25

Your total out-of-pocket cost is **\$33.25**



Participating vs. Non-Participating

The difference between seeing a
Participating Provider and a
Non-Participating Provider in our
example was only \$13.25, but that's
an increase of 60%

Prohibited States

Some states prohibit providers from billing for a Part B Excess Charge if they accept Medicare insurance:

- Connecticut
- Massachusetts
- Minnesota
- New York (limited to 5%)
- Ohio
- Pennsylvania
- Rhode Island
- Vermont

Avoiding Excess Charges

Find Participating Providers

Utilize Medicare's online provider search

- www.medicare.gov/care-compare
- Look for this symbol:



Charges the Medicare-approved amount (so you pay less out-of-pocket)

Medigap Coverage

- Medigap plans F and G cover Part B Excess Charges
- Wisconsin Medigap plans offer a Part B Excess Charges rider you can purchase when you sign up

Medicare Advantage

Stay within your plan's
network of providers,
when possible





Questions?

Thank You For
Attending!

Sources

- <https://www.medicare.gov/your-medicare-costs/part-a-costs/lower-costs-with-assignment>
- <https://www.medicareinteractive.org/get-answers/medicare-covered-services/outpatient-provider-services/participating-non-participating-and-opt-out-providers>
- <https://www.aafp.org/family-physician/practice-and-career/getting-paid/medicare-options.html>
- <https://65medicare.org/medicare-part-b-excess-charges/#:~:text=In%20these%20states%2C%20doctors%20are,%2C%20Rhode%20Island%2C%20and%20Vermont>
- <https://www.medicare.gov/forms-help-resources/find-compare-health-care-providers>