10.10 - Services without Authorization

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If a Cost plan enrollee receives services:

- *Under the direction or authorization of a plan physician;*
- *Correctly identifies himself or herself as a member of that plan to the contracted provider before receiving the items or services; and*
- *(The enrollee) has not been informed that he or she is liable for the costs of such services,*

then the plan must cover such services. This means that the plan does not have the right, after a service is received, to retroactively overturn a plan physician's decision that an item or service is medically reasonable and necessary. For example, a plan cannot retroactively deny a contracted physician's referral of a member for specialty care even when there are plan preauthorization requirements. In such a case the plan cannot penalize the member if a contracting provider fails to follow plan preauthorization rules.

An enrollee is considered informed that he or she is liable for the costs of a service if:

- *The enrollee should be expected to know the service is not covered by Medicare or under the plan, e.g., acupuncture; or*
- *The contracting provider explicitly advises the enrollee prior to the service or referral that the service is not or will not be covered.*

Although a plan may require the Medicare enrollee to receive prior authorization from a primary care physician or a gatekeeper before specialty care is received, if a plan physician provides or directs a beneficiary to receive a covered Medicare service without following the plan's internal procedures, then the plan must pay for the service. A beneficiary who has already received a service may not be penalized if the authorizing physician's referral was improper or the specialist delivered the service without the necessary authorization.

The enrollee should never pay more than the plan required cost sharing - coinsurance, deductibles and copays.