



MEDICARE UPDATE FOR SPECTRUM DERMATOLOGY

January 1, 2021

I am writing to notify our Medicare patients of a decision I have made in my practice, and to explain its benefits and its impact on you. As you may know, my new medical practice is in a small, personal office setting. In order to spend more time with my patients and to decrease practice complexity and administrative costs, I do not have any insurance/third party billing services (including government programs such as Medicare).

You may not know that it is **voluntary** for doctors to contract with Medicare. Once contracted, he/she must comply with Medicare's numerous restrictions/regulations (often quite complex and confusing) and can only be paid the fixed amount that Medicare will allow. Even if the patient desires to pay the doctor's real charges, it is prohibited by Medicare.

Doctors may choose NOT to contract with Medicare since it is a voluntary system. I have made the decision to not contract with Medicare effective January 1, 2021. I will still be offering you my medical services, but it will be outside of the Medicare payment system. You will be asked to pay Spectrum Dermatology directly for the services as I do with our non-Medicare patients. Due to Medicare regulations, you will receive no reimbursement from Medicare/the Federal Government/secondary (Medigap) insurance for the services.

There will be NO change in your Medicare benefits. Your Medicare and secondary insurance benefits will continue to be in full effect for lab, x-rays, hospital services and for services you receive from all doctors contracted with Medicare. This change only affects Spectrum Dermatology's charges. There will be NO changes in our medical services to you.

You will be given a payment receipt for the services which may be useful for tax purposes, but it cannot be sent to Medicare OR your secondary insurance for reimbursement. Fortunately, as a Dermatologist I do not perform major surgical or other procedures that can be quite costly. Also, my charges are reasonable given that I pass on our administrative cost savings to my patients. A copy of Spectrum Dermatology charges is available for review at any time.

In my opinion, when a doctor decides not to contract with Medicare there are wonderful benefits for both doctors and patients. I am free to have a private professional relationship which means I make individual agreements on medical services and on reimbursement for these services which is fair to both. Whereas the terms are set and agreed to voluntarily by the doctor and the patient only, mutual fairness is the natural result. This is the type of relationship I want to have with my patients!

In order to be treated by Spectrum Dermatology after January 1, 2021 it will be necessary (as dictated by Medicare) for you to sign and return to us the enclosed private contract. I understand that some Medicare patients may not find this acceptable financially, and I will at your request transfer your records to a physician of your choice in the future if you decide to change physicians. However, I certainly hope to have you as a patient and to care for you in my practice!

Thank you for your consideration, and please let Spectrum Dermatology know if there any questions we can assist you with!

A handwritten signature in black ink that reads "Meghan M Crute, MD". The signature is written in a cursive, flowing style.

Meghan M Crute, MD



SPECTRUM DERMATOLOGY, LLC PRIVATE CONTRACT

This agreement is between Dr. Meghan M Crute, MD ("Physician"), whose principal place of business is Spectrum Dermatology, LLC, 19637 Center Ridge Road, Rocky River, OH 44116, and patient _____ ("Patient"). The Physician has informed Patient that Physician has opted out of the Medicare program. The expected or known effective date and expected or known expiration date of the current opt-out period is January 1, 2021 (effective date) and December 31, 2022 (expiration date). The Physician's opt out status auto-renews every two years unless terminated prior to the renewal date.

The Physician is not excluded from participating in Medicare Part B under Sections 1128, 1156, or 1892 or any other section of the Social Security Act.

Physician agrees to provide the following medical services to Patient (the "Services"):

- All necessary and agreed upon general medical, surgical, and cosmetic dermatologic services.

In exchange for the Services, the Patient agrees to make payments to Physician pursuant to the Current Fee Schedule.

Patient also agrees, understands, and expressly acknowledges the following:

- Patient agrees that payment for services is due at the time of service and claims will not be submitted to insurance by Spectrum Dermatology, regardless of coverage.
- For privately insured patients, upon request, we can provide the necessary information for you to file a claim with your insurance company (there is a small charge to cover the physician's time). However, we cannot guarantee that your insurance company will reimburse you. All questions regarding your insurance coverage and reimbursement should be directed toward your insurance company or benefits manager.
- Patient agrees not to submit a claim (or to request that Physician submit a claim) to any Medicare, Medicaid, Tricare, or other government sponsored insurance program with respect to Services, even if covered by Medicare Part B.
- Patient is not currently in an emergency or urgent health care situation.
- Patient acknowledges that neither Medicare's fee limitations nor any other Medicare reimbursement regulations apply to charges for the Services.
- Patient acknowledges that Medi-Gap plans will not provide payment or reimbursement for the Services because payment is not made under the Medicare program, and other supplemental insurance plans may likewise deny reimbursement.
- Patient acknowledges that if he/she is a Medicare beneficiary, he/she has a right to obtain Medicare-covered items and services from physicians and practitioners who have not opted-out of Medicare, and that the patient is not compelled to enter into private contracts that apply to other Medicare-covered services furnished by other physicians or practitioners who have not opted-out.
- Patient agrees to be responsible to make payment in full for the Services and acknowledges that Physician will not submit a Medicare claim for the Services and that no Medicare reimbursement will be provided.
- Patient understands that Medicare payment will not be made for any items or services furnished by the physician that would have otherwise been covered by Medicare if there were no private contract and a proper Medicare claim were submitted.
- Patient acknowledges that a copy of this contract has been made available to him/her.
- Patient agrees to reimburse Physician for any costs and reasonable attorneys' fees that result from violation of this Agreement by Patient or his beneficiaries.

Executed on this _____ day of _____, 20_____.

Patient/parent/guardian name

Meghan M Crute, MD
Physician name

Patient/parent/guardian signature

Physician signature