

PROVIDER BULLETIN

Provider information



June 5, 2013

Advance Beneficiary Notices of Noncoverage (ABN)

Background information

In March 2011, the Centers for Medicare & Medicaid Services (CMS) revised its Advance Beneficiary Notices of Noncoverage (ABN). Mandatory use of this version of the ABN (Form CMS-R-131) began on January 1, 2012.

Both Medicare beneficiaries and providers have certain rights and protections related to financial liability under the Fee-for-Service (FFS) Medicare program. These financial liability and appeal rights and protections are communicated to beneficiaries through notices given by providers.

What is ABN?

An ABN is a written notice given to a Medicare beneficiary by a physician, provider or supplier (including laboratories) before an item or service is rendered when he or she believes that Medicare payment for the item or service is expected to be denied.

How does an ABN protect a beneficiary?

- It allows a Medicare beneficiary to make an informed consumer decision about whether or not to receive the items/services for which he or she may have to pay out-of-pocket or through other insurance
- It allows the beneficiary to better participate in his or her own health care treatment decisions
- It helps protect the beneficiary from unexpected financial responsibility when Medicare is unlikely to pay for a particular item/service

How does an ABN protect a provider?

- Proper provision of the ABN may allow the provider to collect payment from the patient if Medicare denies an item/service as not medically necessary or denies the service because of the frequency of the service
- Patients have the right to refuse to sign the ABN, which means that the patient can refuse to agree to be held financially liable for the item/service

Are there modifiers?

- Modifier GA indicates that the provider expects Medicare will deny the services as not reasonable and necessary and that the beneficiary has signed an ABN that is on file in the medical records
- Modifier GA also indicates that a beneficiary or their representative refused to sign an ABN and the proper documentation is on file in the medical records

Who is liable?

Liability will rest with the provider, unless a modifier is used to assign liability to the beneficiary (for example, GL, GY), when the beneficiary has been properly informed, prior to service delivery, that he/she may be liable for payment.

The following HCPCS code can be used with the appropriate revenue code in order to employ a modifier: A9270 Noncovered item or service. **Note:** GA or KB modifiers cannot be used with this code since they require covered charges.

The ABN impacts the following products

- Platinum BlueSM (Cost)
- SecureBlueSM (HMO SNP)
- Blue Essentials (HMO-POS)

Provider reminder

Platinum Blue is a Medicare-approved Cost plan from Blue Cross and Blue Shield of Minnesota (Blue Cross). Blue Cross processes claims according to Medicare rules and guidelines, including the use of the Medicare ABN. Blue Cross recommends that providers discuss options with Platinum Blue subscribers prior to providing noncovered services and retain the ABN in the medical records.

Coding requirements reminder

All coding and reimbursement is subject to changes, updates or other requirements of coding rules and guidelines. All codes are subject to federal HIPAA rules, and in the case of medical code sets (for example, HCPCS, CPT, ICD-9-CM), only valid codes for the date of service may be submitted or accepted.

Note: Medicare Advantage programs have similar requirements through a notice of noncoverage rather than an ABN. Blue Cross processes claims in accordance with Medicare rules and guidelines. More information on all of these requirements may be obtained through the websites summarized in this Bulletin.

Additional resources

- ABN Document and Instructions:
[cms.gov/BNI/Downloads/ABNFormInstructions.zip](https://www.cms.gov/BNI/Downloads/ABNFormInstructions.zip)
- Medicare Claim Processing Manual, Chapter 1 (General Billing Requirements):
[cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c01.pdf](https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c01.pdf)
Section 60 (Provider Billing of Noncovered Charges on Institutional Claims) page 158-185
- Medicare Claim Processing Manual, Chapter 30 (Financial Liability Protection)
[cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf](https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf)
Section 50 (Form CMS-R-131 ABN)
- Medicare Learning Network - Advance Beneficiary Notice of Noncoverage:
[cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/abn_booklet_icn006266.pdf](https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/abn_booklet_icn006266.pdf)
- CMS.gov - Beneficiary Notices Initiative (BNI):
[cms.gov/Medicare/Medicare-General-Information/BNI/index.html?redirect=/bni/](https://www.cms.gov/Medicare/Medicare-General-Information/BNI/index.html?redirect=/bni/)
- Medicare.gov - Advanced Beneficiary Notice of Noncoverage:
[medicare.gov/claims-and-appeals/medicare-rights/abn/advance-notice-of-noncoverage.html](https://www.medicare.gov/claims-and-appeals/medicare-rights/abn/advance-notice-of-noncoverage.html)

Questions?

If you have questions, please contact provider services at (651) 662-5200 or toll free at 1-800-262-0820.