



## **UEI Coding Alert # 23**

### **March 29, 2006**

### **Using Advance Beneficiary Notices (ABN)**

#### **What does an ABN do?**

A properly drafted and given ABN form shifts financial liability to the patient in situations where Medicare does not cover services for lack of medical necessity. The form notifies the patient in advance of receiving the service of the likelihood of non-coverage.

#### **When must an ABN be given?**

- ABNs are mandatory only if you want to bill the patient for a service you think may not be covered by Medicare.
- Then ABNs are necessary only for services typically covered by Medicare, but which, in a particular case, are likely to be denied for lack of medical necessity.
- ABNs are not required for services that are never covered by Medicare. Ultimately, if you are unsure as to whether an ABN is needed in a particular case, the safest course is to obtain one.
- ABNs are not prohibited in situations where the service is never covered, either, so obtaining the patient's written acknowledgement of liability can help at billing time.

#### **How must an ABN be given?**

- ABNs are intended to allow patients to make an informed choice about their treatment, so they should be given only when the patient is in a position to understand the implications of the notice.
- ABNs will not be valid if given when the patient is under duress, such as where he or she is already hooked up to testing equipment or prepped for a surgical procedure.
- Where the patient is incapable of signing, for example because of mental or physical incapacity, an authorized representative can sign on the patient's behalf.
- Finally, you must give the patient a copy of the executed ABN and keep one on file in your office. You do not have to submit the ABN with your claims, but claims must include the modifier "-GA." This shows that an ABN is on file and that you do not expect payment from the carrier.