What is a Medicare ABN?

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A Medicare ABN (Advance Beneficiary Notice) is a document that patients can be asked to sign and date when a service/test/item ordered by a provider is expected to not be covered by Medicare.

Tests/services/items can be provided to the patient, but they need to be notified prior to the service/test/item being rendered that Medicare is not expected to pay, the cost of the service/test/item, and that the patient knowingly accepts financial liability.

In general, if Medicare rejects payment for a test/service/item that is part of an NCD/LCD, the patient is not financially liable, unless, they have signed and dated an ABN (Advance Beneficiary Notice) before the service was rendered.

NCD/LCDs can change each year, so it's important that providers keep up with the changes.

CMS MLN - ABN Booklet

FAQs

- Can every patient be asked to sign an ABN? No
- If the patient is elderly and can only make an X, will that be accepted as a signature? No, the patient must sign their name.
- Does the form have to be dated? Yes, it must be dated.
- Is there a modifier that the provider can use on the claim to note that they do have a signed ABN on file? Yes- the GA modifier can be used to indicate a signed ABN is on file to ensure Medicare processes the claim and acknowledges the charge as patient responsibility and not a write-off for the provider.
- Can a GA modifier be added to every test? No, it should only be added to those where there is an actual fully executed (signed and dated) ABN on file.
- Does Medicare audit for ABNs? Yes, and if they find an issue (the patient didn't sign, it was dated after the date of service on the claim, or the date is missing) they will reverse payment on the claim and the provider will need to adjust off. The patient is not liable for the charge.
- Does a patient with a Medicare Advantage plan have to sign ABNs? No, they are just for traditional Medicare patients (red/white/blue card)