Jurisdiction D DME MAC
Provider Outreach and Education
Advance Beneficiary Notice of Noncoverage

Presented by
Jurisdiction D DME MAC
Outreach and Education Department
February 2009
Agenda

- Definition and Purpose of an ABN
- Acceptable and Unacceptable ABN
- Changes to the ABN
- Completing the ABN
- Signatures
- Modifiers
- Upgrades
- Resources and Updates
Advance Beneficiary Notice of Noncoverage (ABN)

• Written notice of noncoverage
  • Informs beneficiary Medicare may not pay for an item
• Allows beneficiary to make informed decision whether to receive the item
  • Beneficiary liable for payment
• Protects supplier from liability
Current Acceptable ABNs

- **Old form - CMS-R-131-G**
  - Valid until March 1, 2009

- **Revised ABN - CMS-R-131**
  - Combines ABN-G, ABN-L, and NEMB
  - Effective March 3, 2008
  - Only valid ABN on or after March 1, 2009
Acceptable and Unacceptable ABN
ABN Standards

- Must meet readability requirements
- Use an approved standard form (CMS-R-131)
- Specificity, Delivery and Receipt, Timeliness
  - Item must be clearly written
  - Written in terms beneficiary or authorized representative can understand
  - Delivered to beneficiary by qualified notifier before item is furnished
Unacceptable ABN

- Unreadable or illegible
- Beneficiary incapable of understanding the ABN
- ABN given to beneficiary during an emergency, under duress, coerced or misled
- Giving routine notices
  - Medicare may not pay for item
- ABN delivered to beneficiary more than one year before item was furnished
Defective Notices

• Routine ABN
  • No specific, identifiable reason to believe Medicare will not pay
• Generic ABN
  • Stating Medicare “may not pay”
• Blanket ABN
  • Giving ABNs for all claims for items
• Signed blank ABN
  • Obtaining beneficiary signature on blank ABN, completing ABN later
Mandatory ABN Uses

- Services which are always denied for medical necessity
- Frequency limited items
- Denial of advanced determination of medicare coverage (ADMC)
- Certain instances of upgrades
- Supplier had no Medicare supplier number
- Supplier made an unsolicited telephone contact
Voluntary Use ABN – Statutorily Excluded Items*

• Eyeglasses or contact lenses
  • Except following cataract removal or other causes of aphakia
• DME and related accessories/supplies provided in nursing facilities
• Personal comfort items
• Orthopedic shoes or shoe inserts
  • Other than those covered under the therapeutic shoes for diabetics benefit or those that are attached to a covered leg brace

*not all inclusive
Voluntary Use ABN – Does Not Meet Definition of a Medicare Benefit*

- Parenteral/enteral nutrients when used to treat a temporary condition or when administered orally
- Infusion drugs not administered through an infusion pump
- Surgical dressings used to clean wounds or intact skin or provide protection to intact skin
- Irrigation supplies used to irrigate the skin or wounds
- Immunosuppressive drugs used for conditions other than following organ transplants

*not all-inclusive
Voluntary Use ABN - Does Not Meet Definition of a Medicare Benefit* (2)

• Most oral drugs
• Oral anticancer drugs when there is no injectable or infusion form of the drug
• Nondurable items not covered under any other benefit category
• Durable items not primarily designed to serve a medical purpose

*(not all-inclusive)
Revised ABN
Changes and Instruction
Changes to the Revised ABN

- Format changes
- May be used for voluntary notification situations
  - Items that are not Medicare benefits
  - Eliminates the need for the Notice of Exclusion of Medicare Benefits (NEMB)
- Must complete estimated cost
- Additional beneficiary option
Revised ABN Instructions

• Use only an OMB-approved ABN (CMS-R-131)
• ABNs must be reproduced on a single page
• May be typed or hand-written
• Blanks (A)-(F), and (H) may be completed prior to delivery
• Must be verbally reviewed with beneficiary
• Delivered in advance
• Beneficiary receives copy, notifier keeps original
• May include voluntary notification for items that are not Medicare benefits
ABN Header

(A) Notifier(s):
(B) Patient Name: Jane A Doe
(C) Identification Number:

Advance Beneficiary Notice of Noncoverage (ABN)

• Blank A
  • Notifiers name, address, telephone number
• Blank B
  • Beneficiary’s name as listed on Medicare card
• Blank C
  • Internal identification number
    • Cannot use Medicare or social security number
# Advance Beneficiary Notice of Noncoverage (ABN)

**NOTE:** If Medicare doesn’t pay for (D) __________ below, you may have to pay.

Medicare does not pay for everything, even some care that you or your health care provider have good reason to think you need. We expect Medicare may not pay for the (D) __________ below.

<table>
<thead>
<tr>
<th>(D) __________</th>
<th>(E) Reason Medicare May Not Pay:</th>
<th>(F) Estimated Cost:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Enter specific item</td>
<td>Enter reason Medicare may not pay for item</td>
<td>Enter reasonable estimated cost</td>
</tr>
<tr>
<td>• Enter frequency and/or duration of item</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## ABN Options

<table>
<thead>
<tr>
<th>(G) Options:</th>
<th>Check only one box. We cannot choose a box for you.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1️⃣ OPTION 1.</td>
<td>I want the (D)__________ listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment, which is sent to me on a Medicare Summary Notice (MSN). I understand that if Medicare doesn’t pay, I am responsible for payment, but <strong>I can appeal to Medicare</strong> by following the directions on the MSN. If Medicare does pay, you will refund any payments I made to you, less co-pays or deductibles.</td>
</tr>
<tr>
<td>2️⃣ OPTION 2.</td>
<td>I want the (D)__________ listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. <strong>I cannot appeal if Medicare is not billed.</strong></td>
</tr>
<tr>
<td>3️⃣ OPTION 3.</td>
<td>I don’t want the (D)__________ listed above. I understand with this choice I am <strong>not</strong> responsible for payment, and <strong>I cannot appeal to see if Medicare would pay.</strong></td>
</tr>
</tbody>
</table>
This notice gives our opinion, not an official Medicare decision. If you have other questions on this notice or Medicare billing, call 1-800-MEDICARE (1-800-633-4227/TTY: 1-877-486-2048).

Signing below means that you have received and understand this notice. You also receive a copy.

(H) Additional Information: 

(I) Signature: Jane A. Doe  

(J) Date: January 1, 2009

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0566. The time required to complete this information collection is estimated to average 7 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

Form CMS-R-131 (03/08)  

Form Approved OMB No. 0938-0566

2/9/2009  

Jurisdiction D DME MAC
Who May Sign an ABN?

- The beneficiary
- If beneficiary is incapable or incompetent
  - Authorized representative
    - Individual under state law authorized to make health decisions
  - The spouse, unless legally separated
  - An adult child
  - A parent
  - An adult sibling
  - A close friend
    - “An adult who has exhibited special care/concern for the patient, who is familiar with the patient’s personal values, and who is reasonably available”
ABN Modifiers

- **GA** – Supplier has waiver of liability statement on file
- **GY** – ABN used for non-covered item
  - Statutorily excluded item
  - Does not meet definition of a Medicare benefit
- **GZ** – ABN not obtained or ABN is invalid
- **GK** – Actual item ordered by physician
- **GL** – Medically unnecessary upgrade provided instead of standard item, no ABN on file

**Reminder**: Never use the GA and GY modifiers on same line
<table>
<thead>
<tr>
<th>Upgrades--</th>
<th>ABN</th>
<th>Modifier</th>
<th>Beneficiary Pays for Upgrade</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>When ABN is Required</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physician orders upgrade:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplier provides upgrade free of charge</td>
<td>No</td>
<td>GL</td>
<td>No</td>
</tr>
<tr>
<td>Supplier bills beneficiary for upgrade</td>
<td>Yes</td>
<td>GA/GK</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Patient requests upgrade:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplier provides upgrade free of charge to beneficiary</td>
<td>No</td>
<td>GZ/GK</td>
<td>No</td>
</tr>
<tr>
<td>Supplier bills beneficiary for upgrade</td>
<td>Yes</td>
<td>GA/GK</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Supplier provides upgrade for supplier convenience</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplier provides upgrade free of charge to beneficiary</td>
<td>No</td>
<td>GL</td>
<td>No</td>
</tr>
</tbody>
</table>
ABN Resources

• Medicare Claims Processing Manual
  • Chapter 30 – Financial Liability Protections
• Change request 6136, Transmittal 1587
  • http://www.cms.hhs.gov/Transmittals/downloads/R1587CP.pdf
• Revised ABN Form and Instructions
  • https://www.noridianmedicare.com/dme/forms
  • http://www.cms.hhs.gov/BNI/02_ABNGABNL.asp
Other Resources and Reminders
Medicare Learning Network (MLN)

- MLN Product and Resource Guide
- Official CMS national provider education products
  - MLN Matters
  - Brochures
  - Fact sheets
  - Web-based training
  - Video programs
Accreditation

• All new suppliers must be accredited now
  • January 1, 2008 and forward
• All other suppliers must be accredited by September 30, 2009
  • NSC enrolled suppliers prior to January 1, 2008
• To retain billing privileges, the NSC must receive accreditation documentation by October 1, 2009
DMEPOS Accreditation
Exempt and Non-Exempt

<table>
<thead>
<tr>
<th>Exempt from accreditation</th>
<th>Not included on exemption</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Prosthetists (including Occularists)</td>
<td>• Mastectomy fitters</td>
</tr>
<tr>
<td>• Suppliers providing drugs and pharmaceuticals ONLY</td>
<td>• Orthopedic fitters/technicians</td>
</tr>
<tr>
<td>• Physicians (including Dentists)</td>
<td>• Athletic trainer</td>
</tr>
<tr>
<td>• Occupational &amp; Physical Therapists</td>
<td>• Pedorthotist</td>
</tr>
<tr>
<td>• Audiologists</td>
<td>• Pharmacies who dispense items other than drugs or biologicals</td>
</tr>
<tr>
<td>• Optometrists &amp; Opticians</td>
<td></td>
</tr>
<tr>
<td>• Orthotists</td>
<td></td>
</tr>
</tbody>
</table>
Contact Information

• Supplier Contact Center
  • 8:00 a.m. – 5:30 p.m. CT M-F
  • 1-866-243-7272

• Interactive Voice Response (IVR)
  • 24/7
  • 6:00 a.m. – 6:00 p.m. CT M-F (for claims status/eligibility)
  • 1-877-320-0390

• Telephone Reopenings
  • 8:00 A.M. – 4:00 P.M. CT M-F
  • 1-888-826-5708
  • Fax: 1-888-408-7405
Web Site Satisfaction Survey
Comprehensive Error Rate Testing (CERT)

- Randomly selected claims
- Medical records requested
- Claims and records reviewed for compliance
  - Coverage
  - Coding
  - Billing rules
CERT

• Avoid CERT errors:
  • Be familiar with LCDs
  • Educate staff to respond to CERT documentation requests
  • Train coders/billers
  • Verify accuracy of documentation
  • Medical records must be legible and complete
CERT

• Primary CERT Errors
  • Insufficient documentation
  • Services coded incorrectly
  • Medically unnecessary
  • No documentation provided

• High CERT Areas
  • Glucose Monitor and Testing Supplies
  • Hospital Beds
  • Manual Wheelchairs
  • Continuous Positive Airway Pressure
Supplier Manual

- Chapters 11, 12, 13, 15 and 17 recently updated
- Chapter 15 (previously Resources) now in Appendix
- Chapter 15 is now Overpayments and Refunds
- All chapters available in HTML (web) version
- Goal to add PDF version of each chapter
  - PDF version will be updated quarterly
  - HTML version updated real-time
Stay in Touch with NAS
Upcoming Events

• National Home Infusion Association Conference - March 1-3, Baltimore
• California Association of Medical Product Suppliers (CAMPS), March 4-5
• Medtrade, March 25-26, Las Vegas
• VGM Heartland, June 8-11, Waterloo, IA
• Ask the Contractor
• Web-based Workshops
• Face to Face Workshops-TBA
Questions
Workshop Post Test and Survey

• Feedback
  • Online workshop method
  • Presentation
• Suggest future topics
• Provide comments
• Fax to 701-433-3166 or
• E-mail to peggy.sorge@noridian.com
Thank you for attending