

Advance Beneficiary Notice Commonly Asked Questions

Q. What is an Advance Beneficiary Notice (ABN)?

- A. An ABN informs Medicare Beneficiaries, prior to service, that Medicare will probably deny payment of the items or services being requested. Communication prior to service, although required, allows the beneficiary to make a more informed decision and take a more active role in their health care treatment decisions.

Q. Why change the existing ABN?

- A. The Centers for Medicare and Medicaid Services (CMS) has created a standardized form to be more easily read and understood by Medicare Beneficiaries. The new standard form also clearly outlines the beneficiary's options of accepting or declining financial responsibility for any testing that may be denied by Medicare. By declining financial responsibility, the beneficiary is clearly stating that they prefer not to have the testing performed.

Standardization of the form includes the following changes: large, easier to read font size; length has been limited to one page; elimination of any repetitive language to decrease confusion; clarification of the options the beneficiary has when requesting services; and has allowed a specific space to indicate the estimated cost, which must be supplied upon request of the beneficiary.

Medicare providers were limited to customizing only certain areas of the form. We have taken the opportunity to include your account information at the top of the form and, for ease of use, have also included the most common Limited Coverage Tests (LCT's). The complete form is also available to your office in Spanish.

Q. Can my office still use the current requisitions?

- A. Yes. Although the ABN pre-printed on the requisitions will become invalid in the near future, you may continue to utilize the forms on hand. Review the new ABN with your beneficiary, have them choose the option appropriate for their situation, have them date and sign the form, and simply attach the ABN to your requisition for the testing the beneficiary has chosen to have performed. Our future plans include updating and improving the current requisitions that contain the pre-printed ABN.

Q. Can my office use the General Use ABN that CMS has provided?

- A. Although the General Use ABN is a valid CMS form and could be considered a valid ABN for laboratory requests, it has been created for use in the physician office setting. A large part of the required notification to the Medicare Beneficiary is WHY testing is likely to be denied by Medicare. The Laboratory Use ABN clearly states the reasons for probable denial and includes each LCT in the appropriate denial category.

Q. Why should my office obtain the ABN if the beneficiary is going to a Sonora Quest Laboratories' Patient Service Center (PSC)?

- A. Even though the PSC is able to explain the overall intent of the ABN, only the ordering physician has the ability to effectively communicate the necessity of ordering specific testing that Medicare may not cover. CMS strongly encourages the ordering physicians to also take an active role in assisting the Medicare Beneficiaries in understanding their health care options.

Q. How do I calculate the Estimated Cost?

- A.** CMS has included a space for estimated cost to assist the beneficiaries in making a more informed choice about their health care treatment. This field is only required when the beneficiary requests pricing information.

To assist your office in calculating the estimated cost, we have developed a short, easy-to-use Patient Price List. This single page list includes many commonly ordered tests, as well as the tests currently categorized as LCT's by our local Medicare Carrier. For other testing, please refer to your complete 2002 Patient List Fee Schedule or contact our Client Services Department.

Q. Will I be notified if my beneficiary declines testing at the PSC?

- A.** CMS has clearly stated on the new ABN that it is the beneficiary's responsibility to communicate to their physician that they have declined testing. However, if other testing is being performed for these beneficiaries, we will make every effort to inform your office via the laboratory report. If the beneficiary declines ALL testing, we will maintain documentation of the denial for our records at the PSC visited by the beneficiary.

Q. Will the PSC accept payment at time of service from the beneficiary?

- A.** It would be inappropriate for us to collect payment at time of service, as it is always possible that Medicare may chose to cover the testing requested.

Q. What is the difference between Screening (frequency) and Diagnostic?

- A.** Our local Medicare Carrier has given specific instructions on when and how to order screening tests. For example, Medicare covers the PSA Screening test annually for male beneficiaries over the age of 50. The carrier has indicated specifically that this test must be coded with V76.44 when ordered as an annual screen.

Diagnostic tests are used when the beneficiary has specific symptoms or diseases that require this testing to be performed. Medicare may cover this testing when the diagnosis code(s) provided support the necessity requirements. Diagnosis codes that support the medical necessity of ordering diagnostic tests are published by the local Medicare Carrier in their Medicare B News Bulletins, as well as on their website: www.noridian.com/medweb. To assist your office, we have compiled these bulletins into a single tool, the Medicare Diagnosis Guide. Please refer to the Pap Smear/ThinPrep Pap Test, PSA, and Occult Blood Sections for the details of each test.

Remember, the validity of the ABN hinges upon the correct selection of denial category for the type of test being ordered. Tests ordered for screening purposes must be listed and marked under the Frequency denial category on the ABN. If the testing is of a diagnostic nature, the tests must be listed and marked under the "Medicare does not pay for these tests for your condition" denial category. Additionally, tests must be ordered on the requisition and ABN in the same way; for example, mark both PSA Screen on the requisition and PSA Screen on the ABN.

Q. What educational tools will Sonora Quest Laboratories supply and when will they be available?

- A.** Along with this packet you should receive our easy to use Laboratory Ordering Procedure For Medicare Patients, the new ABN forms, and the 2002 Patient Price List. Spanish ABN forms, patient brochures, Medicare Diagnosis Guides, Medicare Limited Coverage Tests/Quick Reference Guides, and posters for your office are also available upon request. An update to our current Medicare Diagnosis Guide will be sent to your office soon, which will include the tests recently categorized as Limited Coverage by our local Medicare Carrier.