

# Medicare Advance Beneficiary Notice: A Quick How-To

## Does Your Medicare Patient Need To Sign An Advance Beneficiary Notice (ABN) CMS-R-131?



Yes! When applicable, your Medicare patients should always sign an Advance Beneficiary Notice (form CMS-R-131). An ABN is not used for commercial insurance companies.

### What Is An ABN?

An ABN is a Medicare waiver of liability that providers are required to give a Medicare patient for services provided that may not be covered or considered medically necessary.

An ABN is used when service(s) provided may not be reimbursed by Medicare.

If the healthcare provider believes that Medicare will not pay for some or all of the items or services, an ABN should be given to the patient.

Examples of services that require an ABN include a visual field exam for an ophthalmologist, a pelvic exam for a primary care provider, or an echocardiogram. These exams should be covered as long as they are medically necessary.

The complete CMS ABN manual is available

at: [http://www.cms.gov/MLNProducts/downloads/ABN\\_Booklet\\_ICN006266.pdf](http://www.cms.gov/MLNProducts/downloads/ABN_Booklet_ICN006266.pdf)

## **Why is an ABN Important?**

Reimbursement! The patient will be personally responsible for full payment if Medicare denies payment for a specific procedure or treatment. The ABN must be given to the patient prior to any provided service or procedure. If there is no signed ABN, then you cannot bill the patient, and it must be written off if denied by Medicare.

## **ABNs Also Protect Your Patient**

An ABN notifies Medicare that the patient acknowledges that certain procedures were provided. It also gives the patient the opportunity to accept or refuse the item or service, and it protects the patient from unexpected financial liability if Medicare denies payment. An ABN offers the patient the right to appeal Medicare's decision.

## **When Do ABNs NOT Apply?**

ABNs do not apply to services that are specifically excluded from Medicare coverage, such as an annual or a refractive eye exam. Providers are not required to provide ABNs for these types of excluded services. ABNs only apply to patients who are enrolled directly with Medicare, not patients who have coverage through a Medicare product from a private insurance company.

## **Proper ABN Completion**

ABNs can be found on the Medicare website, and they have specific components that must be filled out properly in order for it the ABN to be considered valid. The patient's name, the specific service, and the estimated charge amount must be listed on the ABN.

The ABN cannot be given to a patient who is under duress or who requires emergency treatment.

Check for the specific criteria and download the form: [http://www.cms.gov/BNI/02\\_ABN.asp](http://www.cms.gov/BNI/02_ABN.asp)

## Modifiers Required When Billing With An ABN

Any procedures provided that require an ABN must be submitted with one of the following Medicare modifiers:

**GA Modifier:** Waiver of Liability Statement Issued as Required by Payer Policy. This modifier indicates that an ABN is on file and allows the provider to bill the patient if not covered by Medicare.

**GX Modifier:** Notice of Liability Issued, Voluntary Under Payer Policy. Report this modifier only to indicate that a voluntary ABN was issued for services that are not covered.

**GY Modifier:** Notice of Liability Not Issued, Not Required Under Payer Policy. This modifier is used to obtain a denial on a non-covered service. Use this modifier to notify Medicare that you know this service is excluded.

**GZ Modifier:** Item or Service Expected to Be Denied as Not Reasonable and Necessary. This modifier should be applied when an ABN may be required, but was not obtained.

The Medicare Learning Network is a great resource tool and is available to providers at: <http://www.cms.gov/MLNGenInfo/>

## About the Author



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Manny Oliverrez, CPC, is a 20-year healthcare veteran and the CEO and co-founder of Capture Billing, a medical billing services company located outside of Washington, D.C. He teaches the nation's physicians, administrators, and medical practices how to maximize billing and revenue cycle management processes. Manny also frequently posts articles and videos on his [award-winning healthcare blog](#). For more information on Manny and his company, please visit [his website](#), or call (703)327-1800. And if you're on [LinkedIn](#), please look for him there too. **READ MORE**

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