

Advance Beneficiary Notice of Non Coverage (ABN)

Who is eligible for Medicare benefit coverage?

The elderly over 65 year old and individuals who are under age 65 with certain disabilities; and individuals with End-Stage Renal Disease.

The **Original Medicare** Program, also known as **Fee-For-Service (FFS)** Medicare consists of Part A for hospital services; and **Part B for outpatient services.**

Part C - Medicare Advantage Plan (i.e. Medicare approved private health plans) and Part D for Prescription Drug Benefit.

Why do we need an ABN form to be signed by Medicare eligible enrollees?

The ABN is a Medicare requirement if a service is provided to beneficiaries enrolled in the Medicare Fee-For-Service (FFS) program(Part A and Part B), which allows us to bill the Medicare eligible beneficiaries for their portion of member liability (annual deductible + coinsurance) and for any Medicare non-covered services. It is **not** used for services provided under Medicare Advantage (MA) Plan (Part C). The ABN is used to fulfill both mandatory and voluntary notice functions.

Overall Medicare Billing and Payment Breakdown as an example:

Service	BOS (Board of Supervisors' Rate)	MPFS (Medicare Physician Fee Schedule)	Contractual Adjustment	80 % of MPFS Payment	20 % Coinsurance Member Liability
90792	\$ 150.00	\$ 100.00	\$ 50.00	\$ 80.00	\$ 20.00

Note: The **Original Medicare FFS** enrollees are responsible for their annual deductible of **\$147** in 2015 and 20% coinsurance of MPFS. However, if a service is not payable by Medicare, we are allowed to bill Medicare beneficiaries, unless they have Full-scope Medi-Cal benefits as a secondary coverage, **not** Medi-Cal with monthly share-of-cost (SOC) coverage.

Why is an ABN not required for Clients who have enrolled with Medicare Advantage Plan (Part C) or for prescription drugs provided under the Medicare Prescription Drug Program (Part D)?

The Medicare Advantage Plan is a United States health insurance program of managed health care (PPO/HMO) that serves as a substitute for "Original Medicare" Parts A and B Medicare benefits. Medicare Advantage is offered by commercial insurance carriers, who receive compensation from the federal government, to provide all Part A and B benefits to enrollees.

Therefore, an **ABN is used for services rendered to Original Medicare FFS (Part A and Part B) enrollees.** That means an ABN is **not** required for Medicare Part C and Part D.

When the services are not covered, then patient is responsible for UMDAP amount or cost of services, whichever is less.

****The ABN form must be used dated 3/11 (Form CMS-R-131 (03/11)).** It is displayed on the bottom left corner of the form.

Medicare Eligible Providers

1. Physician (MD, DO)
2. Non Physician Practitioner (NPP) Nurse Practitioner (NP)
 - Physician Assistant (PA)
 - Clinical Nurse Specialist (CNS)
3. *Psychologist (billing independently)
4. Licensed Clinical Social Worker (LCSW)
 - *Psychologists/CSWs cannot bill/receive payment for psychiatric diagnostic services with E/M codes (90792, 90833, 90836, and 90838)

In order to bill Medicare, such practitioners must be enrolled with Medicare system along with their site/clinic/program names.

Tip:

- Psychiatry services (90785, 90791/90792, 90832-90838, 90839/90840, and 90853)
- NP, PA, CNS are reimbursed at 85% of MPFS (Medicare Physician Fee Schedule)
- LCSW, MSW, DSW, or PhD reimbursed at 75% of MPFS
- 80% Medicare and 20% Patient Responsibility, although services provided by Psychologists/LCWS are reimbursable at lower rate of MPFS

Non Covered Practitioners

Medicare does not pay for services rendered by-

1. Licensed Marriage and Family Counselor (LMFT)
2. Certified Mental Health Counselor (CMHC)
3. Christian Science Practitioner (CSP)
4. Doctor of Hygiene (DHG)
5. Doctor of Naturopathy (DNP)
6. Doctor of Pharmacy (DP)
7. Homeopathic Physician (MHD)
8. Licensed Acupuncturist (LAC)
9. Licensed Massage Therapist (LMT)

Non Covered Psychotherapy Services

Marriage counseling

Therapeutic services that include E/M or drug management are not billable by CSW/LCSW

Psychotherapy diagnoses not covered if

- Severe enough cognitive defect to prevent effective psychotherapy
- Dementia/Alzheimers (290.0, 290.20-290.9, 331.0-331.2)
- Severe and profound mental retardation (318.1/318.2)

In conclusion, an **Advance Beneficiary Notice** is a part of the Episode Guarantor Information process and required to be completed annually, usually in conjunction with completion of UMDAP/PFI in Family Registration form.

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https://www.sfdph.org/dph/files/CBHSdocs/BHISdocs/UserDoc/508ABN_01012012.pdf