

Internal Medicine Coding Alert

Reader Question: Medicare Waivers

Question: We almost always have our Medicare patients sign an advance beneficiary notice (ABN) that complies with the Health Care Financing Administration (HCFA) guidelines with respect to including the name of the test, why it may be denied, the patients signature and date, etc. Our business office informs me that Medicare frowns on our submitting so many claims with these waivers. I feel that it is impossible to determine if every test we perform will be covered by using the correct ICD-9 code. Why is it that we should be singled out for submitting too many waivers, if they are in compliance?

Anonymous Washington Subscriber

Answer: What Medicare frowns on is using an ABN without thought, such as having all patients sign them for all services in case something is denied, says **Susan Callaway-Stradley, CPC, CCS-P**, an independent coding consultant in North Augusta, S.C. If you genuinely think the service may be denied, use the ABN. If you know that it will be paid, it is not necessary.

And if you use the ABN, take the time to explain to the patient what it is. If they are being asked to sign with no explanation, Medicare may not look on that kindly because the idea is to allow the patient to be an informed consumer and deny the service if they choose, based on the information provided. Please note that the ABN must be signed before the service is rendered.

Further, ABNs are supposed to be used when a service is covered by Medicare but may be denied at that particular time due to lack of medical necessity (test for an unapproved diagnosis code) or for frequency (test that is covered once every three years and has already been performed on this patient within the eligible time frame).

It is not necessary to have patients sign an ABN for a non-covered service (a service or procedure for which Medicare never pays). Some offices decide to have the patient sign a waiver in this instance anyway, to have documentation that the patient understood that they were responsible for payment.