Codify
BY AAPC

Optometry Coding & Billing Alert

Reader Question: Medicare Won't Pay? Get ABN Anyway

Question: Are patients undergoing keratoconus workup or contact lens fitting still required to sign an advance beneficiary notice (ABN)? Why is it necessary when Medicare won't pay for it anyway?

Nebraska Subscriber

Answer: According to CMS, the ABN is necessary "for the physician to bill a Medicare beneficiary for services which are always denied for medical necessity (e.g., visual fields for a patient without a covered diagnosis), frequency limited items (repeat of visual fields or other test more frequently than covered by the carrier or contractor), denial of advanced determination of Medicare coverage (ADMC), and certain instances of upgrades.

The ABN is voluntary for items that are statutorily excluded (never covered by Medicare, such as refraction) or do not meet the definition of a Medicare benefit.

A Medicare patient undergoing a keratonocus workup or contact lens fitting needs to sign an ABN prepared by the practice in patient-friendly language informing him that he is responsible for the payment, although it may already appear redundant.

The ABN is a waiver signed by the patient to clarify that he needs to pay for the service. The patient's signature and selection of acceptance of financial responsibility (via check box) in the event of non-coverage is important because it is assumed that once he signs it he has read and understands it and thus he can be held financially liable for the services. The patient may also select the option of no financial responsibility and the practice can then make the decision to provide the care or not to provide the care. A copy of the ABN must be provided to the patient as part of the guidelines determined by CMS. Make sure the ABN is written using layman's terms and not CPT®/ICD9 codes. An estimate of cost to the patient must also be specified.

In the case of refraction for the purpose of keratoconus workup or contact lens fitting, there have been debates if the ABN is still necessary since, some argue, that you can simply tell the patient that Medicare doesn't cover the procedure.

However: Some Medicare patients don't know the refraction is not a covered benefit. If they sign the ABN, it can be explained to them in detail that refraction is not a benefit. But Medicare has stated that the ABN is not needed for refraction because Medicare never pays for refraction whereas they do sometimes pay for the services stated in your example.

According to CMS, the situations that call for an ophthalmologist's patient to sign an ABN should remain the same when using the new form. "The ABN is only issued when the provider has an expectation of noncoverage," CMS states.

CPT® 2023 American Medical Association. All rights reserved.