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Optometry Coding & Billing Alert

You Be the Expert: Reporting Noncovered Services to Medicare

Question: Our office is having a debate on how to handle services that are not covered by Medicare. One group says to report all services provided and adjust the charges accordingly after the carrier completes processing. The other side says report only what is covered. Which is correct?

West Virginia Subscriber

Answer: Many readers question whether you should code and report noncovered services to Medicare when you're going to end up charging the patient anyway. For services that are never covered, such as refractions, you should only submit the claim to Medicare under two circumstances:

1. You are seeking a denial to submit the claim to a secondary insurer that may cover the services. Medicare patients buy secondary insurance coverage expressly to pay for things Medicare does not cover. To get the claim to cross over to the secondary insurer, you should bill Medicare for the noncovered services, and the secondary will consider payment on the items Medicare did not pay.

2. The patient insists that you file a claim. Many Medicare patients have the misconception that Medicare will pay for everything, and when you tell them something is not covered, they don't believe you. For good patient relations in these cases, bill the claim.

For services that are sometimes covered by Medicare but that may not be covered due to the reason they are being performed, you should have the Medicare patient sign a completed advance beneficiary notice (ABN) before any services are rendered, and then bill Medicare for those services. Many practices have the patient sign the ABN even when they know Medicare does not cover the services.

Don't assume the patient knows Medicare does not cover a service. If you don't have patients sign an ABN, they could fight their responsibility for the bill by arguing you never notified them that they were liable for services that Medicare considers not medically necessary.

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