

Part B Insider (Multispecialty) Coding Alert

Billing: Performing Non-Payable Services for Private Insurers? Consider This ABN-Style Waiver

Avoid reimbursement leaks by having patients sign this contract.

Most Part B practices know that they need to have a Medicare patient sign an advance beneficiary notice (ABN) when a MAC won't cover a procedure or service the physician is going to perform. But what about non-Medicare patients -- should you use an ABN? Follow this expert guidance to ensure you get paid for every service your physician performs while avoiding patient problems by sending bills the patient wasn't expecting.

Don't Skip ABNs for Private Payers

You should, in fact, use some form of waiver or ABN-inspired document for patients who do not have Medicare coverage but you know the insurance they do have won't cover a service or procedure. Doing so not only increases your chances of collecting from the patient but is also a good patient relations move.

"I've done this on occasion," says **Elizabeth Hollingshead, CPC, CMC**, corporate billing/coding manager of Northwest Columbus Urology Inc. in Marysville, Ohio. "It's more of a way to notify the patient ahead of time that they might be responsible for the charges. They can't claim ignorance if they've signed it before hand."

"It is good patient relations, giving them pre-notification that a service may not be covered due to 'medical necessity' (meaning they do not pay for the service based on the patient's diagnosis and complaints), payer perceived experimental status of a procedure that is a mainstream and accepted standard of care, or non coverage in the policy," says **Barbara J. Cobuzzi, MBA, CPC, CENTC, CPCH, CPC-P, CPC-I, CHCC**, president of CRN Healthcare Solutions, a consulting firm in Tinton Falls, N.J.

Warning: You should not be use an ABN with every service -- this applies not only to Medicare's ABN, but also to private payer waivers as well. You'll only have the patient sign the waiver if you suspects you might receive a denial based on the experimental nature of a service or because the payer deems the procedure or service not medically necessary for the diagnosis you'll be reporting, Cobuzzi explains.

Avoid Relying Solely on Global Financial Policies

You should include information about patients' financial responsibility in the financial policy you have every patient read and sign when he first visits your practice, Rust says. You'll give the patient a copy and also keep the signed copy on hand in your office.

Rust explains that the financial responsibility documents her practice has patients sign specifies that the patient is responsible for any co-pays, co-insurance, deductible, and noncovered/experimental amounts.

Caution: Be careful just having your patients sign a blanket financial responsibility statement when they join your practice. If you expect a private payer isn't going to cover a service or procedure, you should let the patient know about that specific bill rather than just work under the philosophy that she signed the financial documents so she's responsible.

"Even though a global financial policy includes this it is still a best practice too have an informed patient for the 'questionable' procedure (questionable from the third party payer's perspective) via a waiver or private payer ABN for that procedure and date of service," Cobuzzi says.

Good practice: You should use a two-step approach to noncovered services for both Medicare and non-Medicare patients.

First, put a notice in your global financial policy and then second, use an ABN for Medicare or ABN-like form for private payers when you expect or know the insurance company is going to deny payment.

"Globally include in your financial policy that the patient is responsible not only copayments and deductibles but also for what the payer deems experimental as well," Cobuzzi advises. Be specific and state that "the patient will be responsible for all non-covered services," she adds.

Include all of these conditions of patient payment responsibility in your practice's global financial policy "as well as be included in the private payer waiver or ABN," Cobuzzi says. See page 172 for a sample form you can use for non-Medicare payers.

Follow Payer-Specific Guidelines When Available

Sometimes you'll even receive specific instructions from your payer telling you when you should use an ABN for services.

Example: "We have been told by UnitedHealthcare (UHC) and Blue Cross Blue Shield (BCBS) that a ABN-type form is required for certain immunizations -- specifically, Gardasil for boys with UHC and shingles for 50-59 year olds with BCBS," says **Charlene Endre-Burgett, MS, CMA (AAMA), CPM-MCS, CPC, CMSCS**, administrator with North Scottsdale Family Medicine in Ariz. Endre-Burgett explains that both of those immunizations have been recommended recently, but the payers still won't reimburse for them. Therefore, her practice needs to use an ABN for patients getting these immunizations, in order to make the patient responsible and get paid for the service.

Remember: Even if your payer doesn't give you specific guidance about when you should use an ABN-style waiver, it's a good idea to let your patient know he might be responsible for the bill if you suspect the payer will deny your claim. If you're unsure, hedge your bets and get the waiver signed.