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# Part B Insider (Multispecialty) Coding Alert

## PART B REVENUE BOOSTER: New ABN May Cut Need for NEMB

**CMS' updated, revised ABN was effective March 3**

If you ever made alphabet soup out of the ABN versus the NEMB, your prayers have been answered.

Earlier this month, CMS unveiled its new advance beneficiary notice (ABN). And the new form not only replaces both the previous ABN-G (for physicians) and ABN-L (for laboratories), but also incorporates the notice of exclusions from Medicare benefits (NEMB) form. CMS expects this new, combined form to -eliminate any widespread need for the NEMB in voluntary notification situations,- according to the new ABN Form Instructions document.

**The NEMB's previous purpose:** In case you weren't familiar with exactly when you were supposed to use the ABN rather than the NEMB, keep in mind that in the past, ABNs were only for procedures that Medicare might not cover, but didn't apply to procedures that were statutorily excluded from Medicare benefits. That was where the NEMB came in--you were able to use it for services such as cosmetic surgery, which Medicare never covered.

Now CMS will accept the new ABN form for either purpose, noting in its ABN Instructions that -the revised version of the ABN may also be used to provide voluntary notification of financial liability.-

**Don't worry:** Although Medicare carriers began accepting the new ABN form as of March 3, CMS has implemented a six-month transition period. Therefore, you aren't required to submit the new form until Sept. 1.

For examples of when you might use the new ABN, see -5 Examples Show You When the New ABN Suits Your Needs- on the next page.

**Remember These 3 ABN Tips:** Although the ABN form has changed, many of the previous ABN -best practices- remain the same. Follow-ing is a quick look at three important ABN facts.

**1. The ABN is one of your most important documents.** If you discover that a patient's upcoming procedure is not payable by Medi-care but the patient still wants you to perform the service, the ABN will let the patient know that he or she may be responsible for paying the non-covered portion.

ABNs help patients decide whether they want to proceed with a service even though they might have to pay for it. A signed ABN ensures that the physician will receive payment directly from the patient if Medicare refuses to pay. Without a valid ABN, you cannot hold a Medicare patient responsible for the denied charges, says **Kara Hawes, CPC-A**, with **Advanced Professional Billing** in Tulsa, Okla.

-The patient has to sign the ABN form at the time of service, otherwise the form is not valid,- Hawes says. -When the claim is denied without an ABN, Medicare will not allow you to be reimbursed for the service or collect money from the patient.-

**2. Explain the ABN to the patient.** ABNs help the patient understand his options. Once you have completed the ABN and discussed it with the patient, he can: 1) sign the ABN and assume financial responsibility for the procedure in question; 2) cancel the procedure; or 3) reschedule the procedure or service for a future date when he can afford it, or when Medicare may cover the procedure.

**3. Modifiers explain ABN status.** When you expect Medicare to deny all or part of a service, you should append the correct modifier to the service code so Medicare's explanation of benefits (EOB) will properly outline when the patient

has to pay. Use the following descriptions to guide your modifier choice:

-The GA modifier (Waiver of liability statement on file) is used when the service provider believes the service is not covered and the office has a signed ABN on file,- says **Dena Rumisek**, biller with **Grand River Gastroenterology PC**, in Grand Rapids, Mich. This might include tests ordered without a payable diagnosis code or those ordered more frequently than covered.

Modifier GY (Item or service statutorily excluded) applies when Medicare excludes the service and you are using the new ABN as you would have used the NEMB form in the past.

Modifier GZ (Item or service expected to be denied as not reasonable and necessary) means that you didn't issue an ABN when you probably should have, and you cannot bill the patient when Medicare denies the service.