

Health Information Compliance Alert

ABNs: Yes, You Can Still Use an ABN-Style Waiver for Non-Covered, Non-Medicare Services

Steer clear of angry patients and lost reimbursement by covering your bases up front.

When your payer won't cover a procedure or service your family physician plans to perform for a Medicare patient, you know to ask the patient to sign an advance beneficiary notice (ABN) explaining coverage expectations. But have you tried using a similar strategy with non-Medicare patients? Follow this expert advice to ensure your physician gets paid for every service and your patients aren't surprised with unexpected bills.

Implement a Specific ABN for Private Payers

If you know a non-Medicare patient's insurance won't cover a service or procedure, turn to some form of waiver or ABN-inspired document. 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**, a corporate billing/coding manager 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 beforehand."

"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," adds **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 request an ABN for every service, whether you're using Medicare's ABN or private payer waivers. Only ask the patient to sign the waiver if you suspect you might receive a denial based on the nature of a service or because the payer deems the procedure or service not medically necessary for the circumstances you'll be reporting, Cobuzzi explains.

Back Up Global Financial Policy with Situation Specifics

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. You'll give the patient a copy and also keep the signed copy in your office. Many practices have their patients sign financial responsibility documents that specify that the patient is responsible for any co-pays, co-insurance, deductibles, and non-covered amounts.

Caution: Be careful of simply having 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 to 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: Use a two-step approach to non-covered services for both Medicare and non-Medicare patients. Put a notice in your global financial policy and also use an ABN for Medicare or ABN-like form for private payers when appropriate.

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

Follow Payer 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 an 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), CPMMCS, CPC, CMSCS**, administrator with North Scottsdale Family Medicine in Arizona. Endre-Burgett explains that both of those immunizations are sometimes recommended by physicians, but the payers won't reimburse for them. Therefore, her practice uses an ABN for patients getting these immunizations, in order to make the patient responsible and ensure payment 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, improve your payment chances and get the waiver signed up front.