

## Advance Beneficiary Notice (ABN)

### Purpose:

An Advance Beneficiary Notice (ABN) is a written document used to notify a Medicare patient of the likelihood that Medicare will deny payment for the ordered tests(s) and to indicate the patient's agreement to accept responsibility for payment if the service is not covered by Medicare. An ABN allows beneficiaries to make informed consumer decisions about receiving items or services for which they may have to pay out-of-pocket and to be more active participants in their own health care treatment decisions.

**When to ask Medicare beneficiaries to sign an ABN:** See Medicare Coverage Limitations section under Medicare Compliance Information.

### [Where to get an ABN Form:](#)

Contact Laboratory Customer Service at 847-5121 or 1-800-991-2799

### Steps to obtaining an ABN:

1. The following information must be completed on the ABN form before you present it to the patient to sign:
  - Patient's name
  - Date of Birth
  - Medical record number
  - The specific procedure/test(s) you believe is/are likely to be denied by Medicare.
  - The reason you believe Medicare is likely to deny coverage. Check the most appropriate reason. If multiple tests and reasons are listed, please indicate which reason applies to which test.
  - Estimated cost
2. Present the ABN to the beneficiary or authorized representative<sup>1</sup> for review.
3. When the beneficiary has read the ABN, ask them to choose an option by checking the appropriate box on the form.
  - Option 1:**  **I want the items and services listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment which is sent to me on a Medicare Summary Notice (MSN).**
  - Option 2:**  **I want the items or services listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. I cannot appeal if Medicare is not billed.**
  - Option 3:**  **I don't want the items or services listed above. I understand with this choice I am not responsible for payment, and I cannot appeal to see if Medicare would pay.**
4. Ask the beneficiary or authorized representative<sup>1</sup> to sign and date the form.
5. If the beneficiary refuses to sign either option but demands the service, the provider should annotate the ABN, and have the annotation witnessed by a fellow staff member, indicating the circumstances and persons involved. The signature line can be used for the annotation.
6. The ABN is a 3 part form and must be distributed as follows:

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- Copy given to patient
- Copy filed in physician's office
- Copy attached to appropriate clinical requisition

**Please Note:**

1. Do not ask all Medicare patients to sign ABNs. This is considered a "blanket ABN" and is not an acceptable practice. Use the ABN only when you believe Medicare will deny payment for an ordered test for one of the reasons listed on the ABN.

***Exception:** In the case when a service/test provided is subject to a frequency limitation, the physician or supplier may routinely give ABNs to beneficiaries because the physician may not know when or where the patient last had the test performed (i.e. may have been ordered by another physician in a different location).*

2. The ABN must be presented before the service is provided or before testing of specimen begins.
3. The beneficiary must be provided with an estimated cost to help them make an informed decision.

**\*\*\*Reminder: A valid ABN must:**

1. Be on an approved CMS-R-131 (03/2020) form.
2. Clearly identify the test or service.
3. Give the reason why denial is likely to occur.
4. Indicate the option chosen by the beneficiary.
5. Be dated & signed by the beneficiary or authorized representative<sup>1</sup>.
6. Provide the cost of test/service not meeting medical necessity rules.

<sup>1</sup>. *An authorized representative is a person who is acting on the beneficiary's behalf when the beneficiary is temporarily or permanently unable to act for himself/ herself. The authorized person is acting in the beneficiary's best interests and does not have a conflict of interest with the beneficiary. Examples: spouse, adult child, adult sibling, close adult friend, and public guardian.*