PURPOSE:
To comply with Medicare regulations1 while billing Medicare patients and provide guidelines for the appropriate use of the:

- Advanced Beneficiary Notice (“ABN”)
- Skilled Nursing Facility Advanced Beneficiary Notice (“SNFABN”)
- Home Health Change of Care Notice (“HHCCN”)

Collectively, these documents are known as “Notices,” and individually as a “Notice.”

PROCEDURE:
Except in situations in which EMTALA applies, all Medicare orders should be reviewed for medical necessity at the earliest opportunity prior to providing the service.

If medical necessity is not documented or there is reason to believe that the service will not be covered even if a patient would like the service(s) performed, a Notice must be issued. Delivery of a Notice occurs when the beneficiary or authorized representative has received the Notice, understands its contents, and signs for it. When the beneficiary has limited English proficiency, the Notice must be provided in the language of the beneficiary or the content thereof delivered via an interpreter. Any insertions in a Notice must be typed, printed, or legibly handwritten.2

The beneficiary has three (3) choices when issued a Notice:

- Obtain some or all of the services and agree to be responsible for payment should Medicare deny payment,

- Obtain some or all of the services and request that Medicare not be billed and agree to be responsible for the payment, or

- Refuse to be responsible for payment and not obtain the service(s). The beneficiary must be told that he/she is responsible for notifying the provider who ordered the service(s) that the beneficiary did not receive the service(s).
If the beneficiary refuses to sign the Notice, the staff should annotate the Notice and have the annotation witnessed if possible, indicating the circumstances and persons involved. If the beneficiary demands the service after refusing to sign the Notice, staff should inform the beneficiary that he/she will be responsible for payment for the service, and that without a signed Notice, services will not be provided.

When the Notice is properly executed and given timely to a beneficiary who agrees to pay in the event of denial by Medicare and, in fact, Medicare denies payment on the claim, Health Quest (“HQ”) will bill the patient for that service.

The original Notice must be kept by HQ and a copy given to the beneficiary.

The ABN must be on the most recently approved Form CMS-R-131.  
The SNFABN must be on the most recently approved Form CMS-10055.  
The HHCCN must be on the most recently approved Form CMS-10280.  

REFERENCES:
1. Medicare Claims Processing Manual (Pub 100-4), Chapter 30, Section 50.2.1 – Applicability to Limitation On Liability (LOL)
3. CMS-R-131 Form Instructions OMB Approval Number: 0938-0566.
4. CMS Revised ABN Frequently Asked Questions.
6. CMS10280 Home Health Change of Care Notice, OMB Approval Number: 0938-1196.

5.1.16 Notice of Noncoverage Policy

POLICY HISTORY:
Supersedes: 3/19/19
Original Implementation Date: 2/27/14
Date Reviewed: 3/9/20
Date Revised: 5/18/18, 3/19/19, 3/9/20

APPROVAL:
[Signature] 3.31.20

Policy Owner  Date