

Company Name

Category: Rights, Responsibilities and Ethics Number: 3.010.1
Subject: Advance Beneficiary Notice (ABN)
Applies: All Staff Page: 1 of 4

Purpose: To ensure that Medicare beneficiaries receive timely, accurate, complete, and useful notices which will enable them to make informed consumer decisions, with a proper understanding of their rights to a Medicare coverage, their appeals rights in the case of payment denial.

Policy: This policy applies when the Agency initiates services to a Medicare beneficiary and believes Medicare will not pay for care related to any one of the statutory bases:

1. No Physician orders
2. Not medically necessary and reasonable
3. Custodial care
4. Not an item or service covered under Title XVIII Medicare Benefit
5. Not homebound
6. Does not need intermittent skilled care

When the HHA expects payment for the home health services will be denied by Medicare the beneficiary must be advised before home health care is initiated. In these instances an Advance Beneficiary Notice (ABN) Form CMS-R-131 will be provided prior to initiation of services. The ABN must be verbally reviewed with the beneficiary or his/her representative and any questions raised during that review must be answered before it is signed. The ABN must be delivered far enough in advance that the beneficiary or representative has time to consider the options and make an informed choice.

These notices must be issued by the HHA each time a trigger event occurs as described below. (Failure to do so is a violation of the Medicare HHA Conditions of Participation in the Medicare Program and may result in the HHA being held liable under the Limitation on Liability Provision.)

Trigger Events for the ABN:

Initiation of Care for each episode:

ABN CMS-R-131 is required when any of the following situations exist and the beneficiary wishes to receive services regardless.

- Services not ordered by physician
- No beneficiary need for intermittent skilled nursing care, PT, SLP or continuing OT

Company Name

Category: Rights, Responsibilities and Ethics Number: 3.010.1
Subject: Advance Beneficiary Notice (ABN)
Applies: All Staff Page: 2 of 4

- Beneficiary not homebound
- Services not reasonable and necessary
- Services custodial in nature (housekeeping)
- Item or service not a Medicare benefit under Title XVIII

Procedure for Notifying Beneficiary of suspected non Medicare coverage:

- a. Upon any of the aforementioned applicable triggering events and prior to the beneficiary receiving the item(s), and/or service(s) an ABN must be delivered to the beneficiary in person. The entire ABNs and its contents must be explained, and all of the beneficiary's questions must be answered orally, prior to having the beneficiary sign. This notice should be far enough in advance to give the beneficiary time to make an informed choice, but not so far in advance as to cause confusion about what care is described by the ABN.
 - a.) ABNs are never required in emergency or urgent care situations.
 - b.) ABNs must be reproduced on a single page. The page may be either letter or legal-size, with additional space allowed for each blank needing completion when a legal-size page is used.
- b. ABN Sections (A)-(F) and (H) may be completed prior to delivering the notice.
- c. Information required in the blank spaces of the ABN are outlined as follows:
 - i. **Section A:** Name, address, and telephone number (including TTY number when needed)
 - ii. **Section B:** First and last name of the beneficiary receiving the notice, and a middle initial should also be used if there is one on the beneficiary's Medicare (HICN) card.
 - iii. **Section C:** Use of this field is optional.
 - iv. **Section D:** Specific descriptor of service(s) or item(s) believed to be noncovered. Repetitive or continuous noncovered care must specify the frequency and/or duration of the item or service. Descriptions of specifically grouped supplies are permitted. When a reduction in service occurs, agency must provide enough additional information so that the beneficiary understands the nature of the reduction.
 - v. **Section E:** Explain, in beneficiary friendly language, why they believe the items or services described in Section (D) may not be covered by Medicare.
 - vi. **Section F:** Agency must make a good faith effort to insert a reasonable estimate for all of the items or services listed in Section (D).

Company Name

Category: Rights, Responsibilities and Ethics Number: 3.010.1

Subject: Advance Beneficiary Notice (ABN)

Applies: All Staff Page: 3 of 4

- vii. **Section G:** After explaining Options 1, 2, and 3 the beneficiary is responsible for choosing one of the three options. The beneficiary or his or her representative must choose only one of the three options listed in Blank (G). Under no circumstances can the agency representative decide for the beneficiary which of the 3 checkboxes to select. Pre-selection of an option by the agency representative invalidates the notice. However, at the beneficiary's request, agency representative may enter the beneficiary's selection if he or she is physically unable to do so. In such cases, agency representative must annotate the notice accordingly. If there are multiple items or services listed in Blank (D) and the beneficiary wants to receive some, but not all of the items or services, the agency representative can accommodate this request by using more than one ABN. If the beneficiary cannot or will not make a choice, the notice should be annotated, for example: "beneficiary refused to choose an option".
- viii. **Section H:** Agency representative may use this space to provide additional clarification that they believe will be of use to beneficiaries.
- ix. **Section I:** Once the beneficiary reviews and understands the information contained in the ABN, the Signature Box is to be completed by the beneficiary (or representative). If a representative signs on behalf of a beneficiary, he or she should write out "representative" in parentheses after his or her signature. The representative's name should be clearly legible or noted in print. This box cannot be completed in advance of the rest of the notice.
- x. **Section J:** The beneficiary (or representative) must write the date he or she signed the ABN. If the beneficiary has physical difficulty with writing and requests assistance in completing this blank, the date may be inserted by the agency representative.
- d. The ABN must convey genuine doubt regarding the likelihood that Medicare may not pay for the listed item(s) and/or service(s), and the reason(s) the HHA expects that Medicare may not pay for each listed item or service, the estimated cost for each item and/or service, and the beneficiary's options.
- e. A signed copy must be retained for the medical record and a copy should be left with the beneficiary.

Company Name

Category: Rights, Responsibilities and Ethics Number: 3.010.1

Subject: Advance Beneficiary Notice (ABN)

Applies: All Staff Page: 4 of 4

- f. Notify the physician that it is expected that Medicare will not pay for services ordered and of the patient's decision once options have been explained.
- g. If the beneficiary refuses to sign the ABN, the Agency may not initiate services on the date specified in the notice, which was provided to the beneficiary. This action is limited to those services specified in the notice.

Refer to:
Advance Beneficiary Notice Form
ABN-HHCCN Triggering Event Chart

