

ADVANCE BENEFICIARY NOTICE (ABN)
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What is an Advance Beneficiary Notice (ABN)?

An ABN is a written notice that you may receive from physicians, providers or suppliers, before they furnish a service or item. The notice must be a standard government form (SMS-R-131) notifying you that:

- Medicare will probably deny payment for that specific service or item in your case.
- The physician, provider/supplier expects Medicare to deny payment and the reason for it.
- You will be personally and fully responsible for payment if Medicare denies the claim.

How does receiving an Advance Beneficiary Notice (ABN) help me?

The ABN protects you from unexpected financial liability in cases where Medicare denies payment. You have the opportunity to choose whether or not to receive the service or item.

The ABN helps you to make an informed consumer decision about whether to obtain the service or item and be prepared to pay for it (that is, either out of your own pocket or by your other insurance coverage) if Medicare holds you liable for the services or item or to choose not to receive it.

When I am liable for payment because I signed an Advance Beneficiary Notice (ABN), how much can I be charged?

When you sign an ABN and become liable for payment, there are no Medicare charge limits, which apply to the supplier's, physician or provider's charges. Before signing an ABN, be sure to ask how much the service or item cost you.

What does an Advance Beneficiary Notice (ABN) mean when it says that I will be "personally and fully responsible" for payment?

It means that you will have to pay for the service or item yourself, either out-of-pocket or by some other insurance coverage which you may have in addition to Medicare.

What information must be included in an Advance Beneficiary Notice (ABN) for a Part B service or item?

The ABN must identify the service or item for which denial is expected, and it must clearly state the reason a Medicare denial is expected. It may include an estimate of the cost for the service or item. Be sure to ask how much it will cost you. You may choose to receive the service or item and to be responsible for payment if Medicare does not pay (in that case, you should choose "Option 1. YES"), or you may choose not to receive the service or item (in that case, you should choose "Option 2. NO"). Be sure to keep a copy of your signed ABN for your records.

What if I refuse to sign the ABN?

If you refuse to sign, your supplier, physician, or provider, that takes assignment of your Medicare claim, may decide not to provide the service or item to you or may have a second person witness your refusal to sign the agreement and then furnish you the service or item. If an ABN being given to you is witnessed, you may be held liable because you are not on notice of the likelihood of a Medicare denial. That is what makes you liable under the law.