



**EFFECTIVE DATE:** 09|01|2015  
**POLICY LAST UPDATED:** 05|06|2015

## OVERVIEW

### BlueCHiP for Medicare

An Advance Beneficiary Notice is not used for items or services provided under the BlueCHiP for Medicare program. If a provider believes a service will not be covered, including not medically necessary by the plan, the provider is expected to request a pre-service organization determination. This determination for BlueCHiP for Medicare members may be obtained by contacting the Health Services Management Department at (401) 272-5670, extension 3012, or fax your request to (401) 272-8885. Contact the Blue Cross & Blue Shield of Rhode Island (BCBSRI) Behavioral Health Vendor at 1-800-274-2958.

Modifiers noted in the coding section of this policy will not be recognized for the BlueCHiP for Medicare program and any claim submitted with a modifier will be processed in accordance with the member's applicable benefits.

### Commercial Products

The Advance Notice of Noncoverage (ANN), also known as an Advance Beneficiary Notice (ABN) is a written notice given by providers to a member to indicate that the service will not be covered by the member's insurance.

## MEDICAL CRITERIA

Not applicable

## PRIOR AUTHORIZATION

### BlueCHiP for Medicare

For a pre-service organization determination on behalf of a member, contact the Health Services Management Department at (401) 272-5670, extension 3012, or fax your request to (401) 272-8885. Contact the BCBSRI Behavioral Health Vendor at 1-800-274-2958.

### Commercial Products

Not applicable

## POLICY STATEMENT

### BlueCHIP for Medicare

An ABN is not used for items or services provided under the BlueCHiP for Medicare program. If a provider believes a service will not be covered by the plan, the provider is expected to request a pre-service organization determination from the plan. If the provider does not request a pre-service organization determination prior to rendering the services, the provider will be liable for the cost of the services. BlueCHiP for Medicare members will be held harmless. This determination on behalf of BlueCHiP for Medicare members may be obtained by contacting BCBSRI or our vendor for the applicable services. See the Prior Authorization section for details.

## Commercial Products

An ANN should be given to members prior to having services that are non-covered or not medically necessary. Claims for these health service codes that are filed with the GA, GU, and GX modifiers will deny as member liability.

**Note:** An ABN is not to be given if a service is covered but not separately reimbursed, or is considered bundled in another service as members may not be held liable for these services.

## COVERAGE

Benefits may vary between groups and contracts. Please refer to the appropriate Benefit Booklet, Evidence of Coverage, or Subscriber Agreement for the applicable instructions for appeals or coverage decisions.

## BACKGROUND

### BlueCHiP for Medicare

The Advance Beneficiary Notice is not used for BlueCHiP for Medicare members. The Centers for Medicare and Medicaid Services (CMS) has determined that the ABN is applicable for fee-for-service Medicare beneficiaries only and is not applicable for the Medicare Advantage products.

## Commercial Products

BCBSRI follows CMS regulations regarding advance notice of non-coverage, also known as advance beneficiary notice, for Commercial products.

Providers should complete an ANN to notify members in advance of:

- **Initiation of services:** the beginning of a new patient encounter, start of a plan of care, or beginning of treatment; OR
- **Reduction of services:** a decrease in the frequency or duration of a component of care. For example, a patient is receiving physical therapy five days a week and wishes to continue this frequency; however the treating provider believes that the patient's therapy goals can be met with only three days of therapy weekly; OR
- **Termination of services:** discontinuation of items/services. For example, a patient receives speech therapy and the treating provider determines that the therapy is no longer reasonable and necessary; however the patient wishes to continue to receive speech therapy or what the provider believes to be noncovered items or services.

If a written advance notice is not given to the member, the provider is financially liable for the service/item provided to the member.

According to CMS:

- The service/item that is believed to be not covered must be specifically listed on the ANN; **AND**
- An estimate of the cost must be included. A reasonable estimate for all the items or services should be within \$100 or 25% (whichever is greater) of the actual costs. However, an estimate that exceeds the actual cost is acceptable as the member would not be harmed if the actual costs were less than predicted; **AND**
- The ANN must be verbally reviewed with the member or his/her representative and any questions must be answered prior to signing; **AND**
- The ANN must be delivered far enough in advance for the member to consider the options and make an informed decision; **AND**
- A copy of the signed ANN is given to the member and the issuer must retain the original in the member's file.

If a service/item requires utilization review and a denial is issued, if the member elects to go forward despite the denial then an advanced member notice is not required as the denial notice serves as notification to the member that the service/item is not covered.

## CODING

### Commercial Products

The following modifiers are applicable for ANNs/ABNs as noted in the Policy Section:

- **GA** – Waiver of liability statement issued as required by payer policy, individual case
- **GU** – Waiver of liability statement issued as required by payer policy, routine notice
- **GX** – Notice of liability issues, voluntary under payer policy

**Note:** These modifiers should not be used for BlueCHiP for Medicare products.

HCPCS modifier **GA** should only be used to report a **required ANN issuance**. Example: Symptomatic benign skin lesion removal/treatment is a covered service. However, in certain cases where the lesion removal is considered to be cosmetic, and not covered, the member must be given advanced beneficiary notification, advising that the insurance will not pay for the service and the member is liable. This should be documented in the patient's record.

HCPCS modifiers **GU** or **GX** should be used to report a **voluntary ANN issuance**. Voluntary notice is for care that is typically excluded from coverage, e.g., cosmetic surgery. Modifier GU or GX can be used to provide notice of liability to the member and the claim will process as member liability.

## RELATED POLICIES

None

## PUBLISHED

Provider Update, November 2015

Provider Update, July 2015

Provider Update, April 2011

## REFERENCES

1. Medicare.gov: <http://www.medicare.gov/claims-and-appeals/medicare-rights/abn/advance-notice-of-noncoverage.html>
2. Department of Health and Human Services Centers for Medicare & Medicaid Services: [http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/ABN\\_Booklet\\_ICN006266.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/ABN_Booklet_ICN006266.pdf)

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