OVERVIEW
The Advance Notice of Non-coverage (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. The notice is applicable for Commercial products and BlueCHiP for Medicare members only when they receive services from a non-contracted provider.

An Advance Beneficiary Notice is not used for items or services provided under the BlueCHiP for Medicare Program if the services are provided by a local BCBSRI contracted provider. If a provider believes a service will not be covered by the plan, the contracted provider is expected to request a pre-service organization determination request from the plan. This determination for BlueCHiP for Medicare members may be obtained by contacting BCBSRI or our vendor for the applicable services.

MEDICAL CRITERIA
Not applicable

PRIOR AUTHORIZATION
Not applicable

POLICY STATEMENT
Commercial products

An advance notice of non-coverage should be given to members when services are non-covered. Claims for non-covered 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. Members may not be held liable for services that are not separately reimbursed or bundled.

BlueCHIP for Medicare applicable to non-contracted providers*

An advance notice of non-coverage should be given to members when services are non-covered. Claims for non-covered 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. Members may not be held liable for services that are not separately reimbursed or bundled.

*A non-contracted provider is one that does not directly have a contract with BCBSRI

BlueCHIP for Medicare applicable to BCBSRI contracted providers

An Advance Beneficiary Notice is not used for items or services provided under the BlueCHiP for Medicare Program. If a contracted provider believes a service will not be covered by the plan, the contracted provider is expected to request a pre-service organization determination request from the plan. If the contracted 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 for BlueCHiP for Medicare members may be obtained by contacting BCBSRI or our vendor for the applicable services.

**COVERAGE**

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

**BACKGROUND**

Blue Cross Blue Shield of Rhode Island (BCBSRI) follows CMS regulations regarding advance notice of non-coverage (ANN), also known as advance beneficiary notice (ABN) for Commercial products. The Advance Beneficiary Notice is not used for BlueCHiP for Medicare members for services provided by local contracted providers. CMS has determined that the Advance Beneficiary Notice (ABN) is applicable for Fee-for-Service Medicare beneficiaries only and is not applicable for the Medicare Advantage 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 non-covered 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 the Centers for Medicare and Medicaid (CMS):

- The service/item which 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 and 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**

BlueCHiP for Medicare and Commercial

The following modifiers are applicable for ANN's/ABN's 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 by BCBSRI contracted providers for BlueCHIP for Medicare products

HCPCS modifier GA should only be used to report a required ANN issuance. Required notice is for items or services that are not reasonable and necessary, e.g., a member requests a full body MRI when no medical necessity for the scan exists. Modifier GA should not be reported in association with any other liability-related modifier and should be submitted with non-covered charges only.

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

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Provider Update, July 2015
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REFERENCES: