



# Medicare Learning Network®

## Advance Beneficiary Notice of Noncoverage Interactive Tutorial

### Introduction

The Centers for Medicare & Medicaid Services (CMS) uses the Fee-For-Service (FFS) Advance Beneficiary Notices of Noncoverage (ABN), Form CMS-R-131, to inform Original Medicare beneficiaries when Medicare may deny payment for an item or service.

**Please note:** The information in this publication applies only to the Medicare Fee-For-Service Program (also known as Original Medicare).

This is the text only version of an interactive tutorial product.

For more in-depth information about the ABN, refer to the [Beneficiary Notices Initiative \(BNI\) web page](#) or the [“Advance Beneficiary Notice of Noncoverage \(ABN\)” booklet](#) on the CMS website.

This educational product was developed with the Medicare Learning Network® (MLN) and Noridian Healthcare Solutions, LLC, to provide nationally-consistent education on topics of interest to health care professionals.

### Background

In situations where Medicare payment is expected to be denied, the ABN must be used by the following:

- All providers and suppliers of Part B services; and
- These providers of Part A items and services:
  - Hospice providers;
  - Home health agencies (HHAs); and
  - Religious Nonmedical Health Care Institutions.

You may select any field letters (A. – J.) in the interactive form for more detailed instructions. When reproducing this form, remove the letters before issuing the notice to beneficiaries.

**NOTE:** For the ABN to be valid, providers must use the ABN form currently approved by the Office of Management and Budget (OMB) and available on the [Beneficiary Notices Initiative \(BNI\) web page](#) on the CMS website. The current version of the ABN has the approval date of 03/11 in the lower left-hand corner.

On the ABN form, the term “you” refers to the beneficiary who signs the ABN. In the instructions for the interactive form, however, “you” refers to the provider issuing the form.

### **What If the Beneficiary Refuses to Complete or Sign the ABN?**

If the beneficiary, or the beneficiary’s representative, refuses to choose an option or refuses to sign the ABN, you should annotate the original copy of the ABN indicating the refusal to sign or choose an option in the H. Additional Information section. You may list any witnesses to the refusal on the ABN, although Medicare does not require this. If a beneficiary refuses to sign a properly issued ABN, you should consider not furnishing the item or service unless the consequences (health and safety of the beneficiary or civil liability in case of harm) prevent this option.

## **ABN Form Field Information**

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### **A. Notifier**

Place the provider/supplier name, address, and telephone number (include TTY, if applicable) at the top of the ABN. You may include your facility’s logo at the top of the notice.

When the Notifier is not the billing entity for the item or service (for example, a physician’s office that collects lab specimens and sends them to a lab for processing), you must also list contact information for the billing entity in either the A. Notifier area or in the H. Additional Information section. When more than one entity is listed on the notice, the H. Additional Information section must specify who to contact for billing questions.

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### **B. Patient Name**

Enter the first and last name of the beneficiary receiving the ABN. Use the middle initial if it appears on the beneficiary’s Medicare card.

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### **C. Identification Number**

This field is optional and can include an identifier, such as a medical record number or date of birth.

**Do not use** Medicare numbers, Health Insurance Claim Numbers, or Social Security Numbers.

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### **First D. field in ABN**

List the general description of what you believe Medicare may not cover on the blank line. Examples of descriptors include:

- Item(s)/Service(s);
- Laboratory test;
- Test;
- Procedure;
- Care; or
- Equipment.

Notifiers may pre-fill all of the D. fields on their ABN template with “Items(s)/Service(s)” if desired.

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### **Second D. field in ABN**

Insert the wording used in the first D. field.

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### **First column in Table D.**

For the column header, insert the wording used in the first D. field.

In the table, under the Column D. header, list the specific items and services you believe are not covered using language the beneficiary understands.

For upgrades, list the excess component(s) for which you expect a denial.

For repetitive or continuous noncovered care, specify the frequency and/or duration.

For reduction in service, provide information so the beneficiary understands the nature of the reduction.

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### **E. Reason Medicare May Not Pay**

Explain in beneficiary-friendly language why you believe Medicare may not cover each item or service. Commonly used reasons for noncoverage are:

- Medicare does not pay for this test for your condition;
- Medicare does not pay for the test at this frequency (denied as too frequent); and
- Medicare does not pay for experimental or research-use tests.

**NOTE:** To qualify as a valid ABN, at least one reason must apply to each item or service listed in Column D. You may apply the same reason to multiple items in Column D.

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## F. Estimated Cost

You must complete the Estimated Cost column so that the beneficiary receives all available information to make an informed decision about whether to get potentially noncovered services and accept financial responsibility if Medicare does not pay.

You must make a good faith effort to insert a reasonable estimate for all the items or services listed under Column D. In general, Medicare expects the estimate to fall within \$100 or 25 percent of the actual costs, whichever is greater. An example of an acceptable estimate is:

For a service that costs \$250:

- \$150–\$300; or
- No more than \$500.

You can bundle routinely grouped multiple items or services into a single-cost estimate.

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## Field D. under “What You Need To Do Now”

Insert the wording used in the first D. field.

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## Field D. under G. Options

Insert the wording used in the first D. field.

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## G. Options

Complete the three D. fields under the G. Options section with the same wording used in the first D. field. The beneficiary, or his or her representative, must choose **one** of the three options listed. Medicare does not permit you to make this selection. (However, HHAs caring for dual eligibles [beneficiaries eligible for both Medicare and Medicaid] may direct beneficiaries to select a particular option box according to State directives. For more information, refer to the MLN Matters® Article titled [“Correction CR – Advance Beneficiary Notice of Noncoverage \(ABN\), Form CMS-R131”](#) on the CMS website.)

**NOTE:** When you issue the ABN as a voluntary notice, the beneficiary does not need to check an option box or sign and date the notice.

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## Option 1

The beneficiary wants to get the items or services listed and accepts financial responsibility if Medicare does not pay. He or she agrees to pay now, if required.

**NOTE:** You must submit a claim to Medicare that will result in a payment decision the beneficiary can appeal. If the beneficiary needs a Medicare claim denial for a secondary insurance plan to cover the service, you may advise the beneficiary to select Option 1.

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## **Option 2**

The beneficiary wants to get the item or services listed and accepts financial responsibility. He or she agrees to pay now, if required. When the beneficiary chooses this option, you do not file a claim, and there are no appeal rights.

You will **not** violate mandatory claims submission rules under Section 1848 of the Social Security Act when you do not submit a claim to Medicare at the beneficiary's written request.

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## **Option 3**

The beneficiary does not want the care in question and cannot be charged for any items or services listed. You do not file a claim, and there are no appeal rights.

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## **H. Additional Information**

You may use this space to provide more clarification or information that may be useful to the beneficiary. For example:

- A statement advising the beneficiary to notify his or her health care provider about certain tests ordered but not received;
- An additional dated witness signature;
- Identification of the billing provider if more than one is listed in the A. Notifier field; or
- Other necessary annotations.

Medicare assumes you made annotations on the same date as that appearing with the beneficiary's signature unless you include a separate date with the annotation.

If a beneficiary refuses to choose an option box and/or sign the notice when the ABN issuance is required, document the refusal in this section.

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## **I. Signature**

The beneficiary, or the beneficiary's representative, signs the ABN to indicate he or she received the ABN and understands its contents. If a representative signs, he or she should write out "representative" after his or her signature and print the name if it is not legible.

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## **J. Date**

The beneficiary, or the beneficiary's representative, writes the date he or she signed the ABN. If the beneficiary has difficulty writing and requests assistance in completing this box, you may insert the date.

**A. Notifier:**

**B. Patient Name:**

**C. Identification Number:**

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**Advance Beneficiary Notice of Noncoverage (ABN)**

**NOTE:** If Medicare doesn't pay for D. \_\_\_\_\_ below, you may have to pay.

Medicare does not pay for everything, even some care that you or your health care provider have good reason to think you need. We expect Medicare may not pay for the D. \_\_\_\_\_ below.

| D. | E. Reason Medicare May Not Pay: | F. Estimated Cost |
|----|---------------------------------|-------------------|
|    |                                 |                   |

**WHAT YOU NEED TO DO NOW:**

- Read this notice, so you can make an informed decision about your care.
- Ask us any questions that you may have after you finish reading.
- Choose an option below about whether to receive the D. \_\_\_\_\_ listed above.

**Note:** If you choose Option 1 or 2, we may help you to use any other insurance that you might have, but Medicare cannot require us to do this.

**G. OPTIONS: Check only one box. We cannot choose a box for you.**

**OPTION 1.** I want the D. \_\_\_\_\_ listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment, which is sent to me on a Medicare Summary Notice (MSN). I understand that if Medicare doesn't pay, I am responsible for payment, but **I can appeal to Medicare** by following the directions on the MSN. If Medicare does pay, you will refund any payments I made to you, less co-pays or deductibles.

**OPTION 2.** I want the D. \_\_\_\_\_ listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. **I cannot appeal if Medicare is not billed.**

**OPTION 3.** I don't want the D. \_\_\_\_\_ listed above. I understand with this choice I am **not responsible for payment, and I cannot appeal to see if Medicare would pay.**

**H. Additional Information:**

**This notice gives our opinion, not an official Medicare decision.** If you have other questions on this notice or Medicare billing, call **1-800-MEDICARE** (1-800-633-4227/TTY: 1-877-486-2048).

Signing below means that you have received and understand this notice. You also receive a copy.

**I. Signature:**

**J. Date:**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0566. The time required to complete this information collection is estimated to average 7 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

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Form CMS-R-131 (03/11)

Form Approved OMB No. 0938-0566

## Resources

For more information on using an ABN, refer to Chapter 30, Section 50 of the [“Medicare Claims Processing Manual”](#) (Publication 100-04) on the CMS website, or scan the Quick Response (QR) code.



Refer to the resources below for additional information on ABNs.

[Questions on the ABN can be emailed to RevisedABN\\_ODF@cms.hhs.gov](mailto:RevisedABN_ODF@cms.hhs.gov)

[“MLN Guided Pathways: Basic Medicare Resources for Health Care Professionals, Suppliers, and Providers,” Section “Medicare Billing – Beneficiary Notices Initiative \(BNI\)”](#)

[Other Guided Pathways \(GPs\)](#)

## Disclaimers

The Medicare Learning Network® Disclaimers are available at <http://go.cms.gov/Disclaimer-MLN-Product> on the CMS website.

This educational product was developed with the Medicare Learning Network® (MLN) and Noridian Healthcare Solutions, LLC, to provide nationally-consistent education on topics of interest to health care professionals.

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