



# MEDICARE ADVANCE WRITTEN NOTICES OF NONCOVERAGE

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Learn about these Medicare advance written notices of noncoverage topics:

- Types of advance written notices of noncoverage
- Issuing an advance written notice of noncoverage
- Prohibitions and frequency limits
- Completing an advance written notice of noncoverage
- Collecting beneficiary payment
- Financial liability
- ABN claim reporting modifiers
- When not to use an advance written notice of noncoverage
- Resources

## Types of Advance Written Notices of Noncoverage

An advance written notice of noncoverage helps a Medicare Fee-For-Service (FFS) beneficiary choose items and services Medicare usually covers but may not pay because they are medically unnecessary or custodial in nature. The Centers for Medicare & Medicaid Services (CMS) approves these notices for this purpose:

- All health care providers and suppliers must deliver an [Advance Beneficiary Notice of Noncoverage \(ABN\), Form CMS-R-131](#) when they expect a Medicare payment denial that transfers financial liability to the beneficiary. This includes:
  - Independent laboratories, skilled nursing facilities (SNFs), and home health agencies (HHAs) furnishing Medicare Part B (outpatient) items and services
  - Hospice providers, HHAs, and religious non-medical health care institutions furnishing Part A items and services

The ABN helps the beneficiary decide whether to get the item or service Medicare may not cover and accept financial responsibility for it.

**If the beneficiary does not get written notice when required, the provider or supplier may be financially liable if Medicare denies payment.**

- SNFs must issue a [Skilled Nursing Facility Advance Beneficiary Notice of Noncoverage \(SNFABN\), Form CMS-10055](#), to transfer financial liability to the beneficiary before furnishing a Part A item or service to them that Medicare usually pays, but may not pay because it is medically unnecessary or custodial care.
- Hospitals issue a [Hospital-Issued Notice of Noncoverage \(HINN\)](#) prior to admission, at admission, or at any point during an inpatient stay if they determine the beneficiary's care is not covered because it is:
  - Medically unnecessary
  - Not delivered in the most appropriate setting
  - Custodial in nature

The four HINNs hospitals issue are:

1. HINN1: Pre-admission/Admission HINN. Use prior to an entirely noncovered stay.
  2. HINN 10: Notice of Hospital Requested Review (HRR). Use for FFS and Medicare Advantage Program (Part C) beneficiaries when requesting Quality Improvement Organization review of a discharge decision without physician concurrence.
  3. HINN 11: Used for noncovered items and services during an otherwise covered stay.
  4. HINN 12: Used with the Hospital Discharge Appeal Notices to inform beneficiaries of their potential liability for a noncovered continued stay.
- Home Health Agencies issue a [Home Health Change of Care Notice \(HHCCN\), Form CMS-10280](#), to notify a beneficiary getting home health care benefits about plan of care (POC) changes. The beneficiary must get written notification before HHAs reduce or terminate an item or service. It is important to note that the HHCCN is not a liability notice but a change in care notice.

## Issuing an Advance Written Notice of Noncoverage

### When You Must Issue an Advance Written Notice of Noncoverage

To transfer financial liability to the beneficiary, the provider must issue an advance written notice of noncoverage:

- When an item or service is not reasonable and necessary under Medicare Program standards. Common reasons Medicare denies an item or service as not medically reasonable and necessary include care that is:
  - Experimental and investigational or considered “research only”
  - Not indicated for diagnosis or treatment in this case
  - Not considered safe and effective
  - More than the number of services Medicare allows in a specific period for the corresponding diagnosis
- When custodial care is given
- Before caring for a beneficiary who is not terminally ill (hospice providers)
- Before caring for a beneficiary who is not confined to the home or does not need intermittent skilled nursing care (home health providers)
- When outpatient therapy services exceed therapy cap amounts and do not qualify for a therapy cap exception
- Before furnishing a preventive service usually covered but Medicare will not cover in this instance because of frequency limitations
- Before furnishing an item or service Medicare will not pay because (durable medical equipment, prosthetics, orthotics, and supplies [DMEPOS] suppliers):
  - The provider violated the prohibition against unsolicited telephone contacts
  - The supplier has not met supplier number requirements
  - The supplier is a non-contract supplier furnishing an item listed in a competitive bidding area
  - The beneficiary wants the item or service before Medicare gets the advance coverage determination

#### **Non-Contract DMEPOS Suppliers**

An ABN is valid if beneficiaries understand the meaning of the notice. Where an exception applies, beneficiaries have no financial liability to a non-contract supplier furnishing an item included in the Competitive Bidding Program unless they sign an ABN indicating Medicare will not pay for the item because they got it from a non-contract supplier and they agree to accept financial liability.

Services must meet specific medical necessity requirements in the statute, regulations, guidance, and criteria defined by National Coverage Determinations (NCDs) and Local Coverage Determinations (LCDs) (if any exist for the service reported). Every service billed must indicate the specific sign, symptom, or beneficiary complaint that makes the service reasonable and necessary.

Limited coverage may result from NCDs or LCDs. NCDs limit Medicare coverage for specific services, procedures, or technologies on a national basis. The Secretary of the U.S. Department of Health & Human Services determines reasonable and necessary NCDs. Medicare Administrative Contractors (MACs) may develop an LCD to further define an NCD or in the absence of a specific NCD. This is a coverage decision giving guidance to the public and the medical community within a specified geographic area. In most cases, the availability of this information indicates you knew, or should have known, Medicare would deny the item or service as medically unnecessary.

## Issuing a Voluntary Advance Written Notice of Noncoverage as a Courtesy

Medicare does not require you to notify the beneficiary before you furnish an item or service Medicare never covers or is not a Medicare benefit. However, as a courtesy, you may issue a voluntary notice to alert the beneficiary about their financial liability. Issuing the notice voluntarily has no effect on financial liability, and the beneficiary is not required to check an option box or sign and date the notice. For more information about noncovered services, refer to the [Items and Services Not Covered Under Medicare](#) booklet.

## Three Events That Prompt an Advance Written Notice of Noncoverage

These three “triggering events” may prompt an advance written notice of noncoverage:

1. Initiations
2. Reductions
3. Terminations

### Initiations

Initiations happen at the beginning of a new beneficiary encounter, start of a POC, or when treatment begins. If you believe at initiation Medicare will not cover certain items or services because they are not reasonable and necessary, you must issue the notice before the beneficiary gets the noncovered care.

### Reductions

Reductions occur when a component of care decreases (for example, frequency or service duration). Do not issue the notice every time there is a reduction in care. If a reduction occurs and the beneficiary wants to continue getting care no longer considered medically reasonable and necessary, you must issue the notice before the beneficiary gets the noncovered care.

For the HHCCN, reductions to the POC occur when an HHA reduces or stops items or services during a spell of illness while continuing others, including when one home health discipline ends but others continue.

## Terminations

Terminations stop all or certain items or services. If you terminate services and the beneficiary wants to continue getting care no longer considered medically reasonable and necessary, you must issue the notice before the beneficiary gets the noncovered care.

For the HHCCN, the POC ends when an HHA stops delivering care of all services.

## Issuing an Advance Written Notice of Noncoverage When Multiple Entities Furnish Care

When multiple entities furnish care, Medicare does not require separate advance written notices of noncoverage. Any party involved in delivering care can issue the notice when:

- There are separate ordering and furnishing providers (for example, a physician orders a laboratory test and an independent laboratory delivers the ordered test)
- One provider delivers the technical component and another delivers the professional component of the same service (for example, a radiological test an independent diagnostic testing facility furnishes, and a physician interprets)
- The entity that gets the signature on the notice is not the same entity billing the service (for example, one laboratory refers a specimen to another laboratory and the second laboratory bills Medicare)

In these situations, you may enter the names of more than one entity in the header of the notice if the beneficiary can clearly identify whom to contact with billing questions.

Medicare holds the billing entity responsible for issuing the notice.

## Prohibitions and Frequency Limits

### Routine Notice Prohibition

There is no reason to issue an advance written notice of noncoverage on a routine basis, except for:

- Experimental items and services
- Items and services with frequency coverage limitations
- Medical equipment and supplies denied because the supplier had no supplier number, or the supplier made an unsolicited telephone contact
- Services always denied for medical necessity

## Other Prohibitions

You cannot issue an advance written notice of noncoverage to:

- Shift liability and bill the beneficiary for the services denied due to a Medically Unlikely Edit (MUE).
- A beneficiary in a medical emergency or under great duress (compelling or coercive circumstances). Advance written notice of noncoverage use in the emergency room or during ambulance transports may be appropriate in some cases (for example, a beneficiary who is medically stable and not under duress).
- Charge a beneficiary for a component of a service when Medicare fully pays through a bundled payment.
- Transfer liability to the beneficiary when Medicare would otherwise pay for items and services.

## Frequency Limits

Some Medicare-covered services have frequency limits. Medicare only pays for a certain quantity of a specific item or service in each period for a diagnosis. If you believe an item or service may exceed frequency limits, issue the notice before furnishing the item or service to the beneficiary.

If you do not know the number of times the beneficiary got a service within a specific period, get this information from the beneficiary or other providers involved in their care. Contact your MAC or use the [Health Insurance Portability and Accountability Act \(HIPAA\) Eligibility Transaction System \(HETS\) \(270/271\)](#) to determine if a Medicare beneficiary met the frequency limits from another provider during the calendar year.

## Extended Treatment

You may issue a single notice to cover extended treatment if it lists all items and services and the duration of treatment when you believe Medicare will not pay. If the beneficiary gets an item or service during the treatment that you did not list on the notice and Medicare may not cover it, you must issue a separate notice. A single notice for an extended course of treatment is only valid for 1 year. If the extended course of treatment continues after 1 year, issue a new notice.

## Completing an Advance Written Notice of Noncoverage

An advance written notice of noncoverage should be:

- Issued (preferably in person) to, and understood by, the Medicare beneficiary or their representative.
- Completed on the approved, standardized notice format (when applicable), with all required blanks completed. It cannot exceed one page in length. You may include attachments listing additional items and services. If you use attachment sheets, they must clearly match the items or services in question with the reason a denial is expected and cost estimate information. The print should be readable to the beneficiary. Medicare permits limited customization of the advance written notice of noncoverage, such as pre-printing information in certain blanks.

- Issued far enough in advance of potentially noncovered items or services so the beneficiary can consider available options.
- Explained in its entirety, answering all questions related to the notice.
- Signed and dated by the beneficiary or their representative after they select one of the options. If you issue the notice on an electronic screen, offer a paper copy to the beneficiary and keep a copy for your records (whether the notice is signed on paper or electronically). If you maintain Electronic Medical Records, you may scan the signed hard copy.
- Kept for 5 years from the date-of-care delivery when no other requirements under State law apply. Medicare requires you to keep a record of the notice in all cases, including when the beneficiary declined the care, refused an option, or refused to sign the notice.

If you cannot issue the notice in person, you may issue it via direct phone, email, mail, or secure fax machine (according to HIPAA policy). The beneficiary should not dispute the contact. You should document the contact in the beneficiary's records and keep a copy of the unsigned notice on file while you wait for the signed notice.

You must follow phone contacts immediately by either a hand-delivered, mailed, emailed, or faxed advance written notice of noncoverage. The beneficiary or the beneficiary's representative must sign and retain the notice and send you a signed copy for their beneficiary record. If the beneficiary fails to return a signed copy, document the initial contact and subsequent attempts to get a beneficiary's signature in their records or on the notice.

For detailed instructions on completing an ABN, refer to the [Advance Beneficiary Notice of Noncoverage Interactive Tutorial](#).

## When the Beneficiary Changes Their Mind

If the beneficiary changes their mind after completing and signing the notice, request they annotate the completed notice. They must sign and date the annotation and clearly indicate their new selection. If you cannot furnish the notice in person, you may annotate the form to reflect the beneficiary's new selection and immediately forward a copy to the beneficiary to sign, date, and return. You must furnish a copy of the annotated notice to the beneficiary as soon as possible.

## Beneficiary Refusal to Choose an Option or Sign the Advance Written Notice of Noncoverage

If the beneficiary or the beneficiary's representative refuses to choose an option or sign the notice, you should annotate the original copy indicating their refusal. You may list any witnesses to the refusal, although a witness is not required. If a beneficiary refuses to sign a properly issued notice, 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.



## Collecting Beneficiary Payment

When Medicare requires an advance written notice of noncoverage, if you properly notify the beneficiary the item or service may not be covered, and they sign the notice, you may seek payment from them. If Medicare pays all or part of the claim for items or services previously paid by the beneficiary, you must refund the beneficiary the proper amount in a timely manner. Medicare considers refunds timely within 30 days after you get the Remittance Advice from Medicare or within 15 days after a determination on an appeal if you or the beneficiary file an appeal.

**Note:** Medicare does not allow SNFs to collect money for Part A services until Medicare makes an official claim payment decision. For dual eligible beneficiaries, including Qualified Medicare Beneficiaries (QMBs), distinct billing limitations apply.

## Financial Liability

If you do not issue a required notice or Medicare finds the notice is invalid and you knew, or should have known, Medicare will not pay for a usually covered item or service, and you may be financially liable. You cannot collect funds from the beneficiary. If you previously collected payment from the beneficiary, you must refund the proper amount in a timely manner.

## ABN Claim Reporting Modifiers

Table 1. Using Modifiers for ABN Claim Reporting

Modifier	When to Use the Modifier
<b>–GA</b> <b>Waiver of Liability Statement Issued as Required by Payer Policy, Individual Case</b>	Report when you issue a mandatory ABN for a service as required and it is on file. You do not need to submit a copy of the ABN, but you must have it available on request. The –GA modifier is used when both covered and noncovered services appear on an ABN-related claim.
<b>–GX</b> <b>Notice of Liability Issued, Voluntary Under Payer Policy</b>	Report when you issue a voluntary ABN for a service Medicare never covers because it is statutorily excluded or is not a Medicare benefit. You may use this modifier combined with modifier –GY.
<b>–GY</b> <b>Notice of Liability Not Issued, Not Required Under Payer Policy</b>	Report that Medicare statutorily excludes the item or service, or the item or service does not meet the definition of any Medicare benefit. You may use this modifier combined with modifier –GX.
<b>–GZ</b> <b>Expect Item or Service Denied as Not Reasonable and Necessary</b>	Report when you expect Medicare to deny payment of the item or service because it is medically unnecessary and you issued no ABN.



## When Not to Use an Advance Written Notice of Noncoverage

Do not use an advance written notice of noncoverage for items and services you furnish under Medicare Advantage (Part C) or the Medicare Prescription Drug Benefit (Part D).

Medicare does not require you to notify the beneficiary before you furnish items or services that are not a Medicare benefit or that Medicare never covers.

For a list of Medicare noncovered items and services, refer to the [Medicare Claims Processing Manual, Chapter 30, Section 20.1](#).

## Resources

**Table 2. Medicare Advance Written Notices of Noncoverage Resources**

Resource	Website
Beneficiary Notices Initiative (BNI)	<a href="https://www.cms.gov/Medicare/Medicare-General-Information/BNI">CMS.gov/Medicare/Medicare-General-Information/BNI</a>
Contact Your MAC	<a href="https://www.cms.gov/MAC-website-list">CMS.gov/MAC-website-list</a>
Email Your Questions	<a href="mailto:RevisedABN_ODF@cms.hhs.gov">RevisedABN_ODF@cms.hhs.gov</a>
Forms and Instructions, Rules, and Financial Liability Protections	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c01.pdf">CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c01.pdf</a> (Section 60.4.1)
HETS	<a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/HETSHelp">CMS.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/HETSHelp</a>
HHCCN Form Instructions	<a href="https://www.cms.gov/Medicare/Medicare-General-Information/BNI/Downloads/HHCCN-Form-Instructions.pdf">CMS.gov/Medicare/Medicare-General-Information/BNI/Downloads/HHCCN-Form-Instructions.pdf</a>
Medicare Claims Processing Manual, 100-4, Chapter 1, Section 60.4.2 (additional modifiers related to noncovered charges)	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c01.pdf">CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c01.pdf</a>
Medicare Claims Processing Manual, 100-4, Chapter 30	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf">CMS.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf</a>
Medicare Coverage	<a href="https://www.cms.gov/Medicare-Coverage-Database">CMS.gov/Medicare-Coverage-Database</a>
Medicare Learning Network® Catalog of Products	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/MLNCatalog.pdf">CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/MLNCatalog.pdf</a>
MUEs	<a href="https://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/MUE">CMS.gov/Medicare/Coding/NationalCorrectCodInitEd/MUE</a>

**Table 3. Hyperlink Table**

Embedded Hyperlink	Complete URL
Advance Beneficiary Notice of Noncoverage (ABN), Form CMS-R-131	<a href="https://www.cms.gov/Medicare/Medicare-General-Information/BNI/Downloads/ABN-Forms-English-and-Spanish-Incl-Large-Print.zip">https://www.cms.gov/Medicare/Medicare-General-Information/BNI/Downloads/ABN-Forms-English-and-Spanish-Incl-Large-Print.zip</a>
Advance Beneficiary Notice of Noncoverage Interactive Tutorial	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/ICN909183">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/ICN909183</a>
Health Insurance Portability and Accountability Act (HIPAA) Eligibility Transaction System (HETS) (270/271)	<a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/HETSHelp">https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/HETSHelp</a>
Home Health Change of Care Notice (HHCCN), Form CMS-10280	<a href="https://www.cms.gov/Medicare/Medicare-General-Information/BNI/Downloads/HHCCN-Forms-English-and-Spanish.zip">https://www.cms.gov/Medicare/Medicare-General-Information/BNI/Downloads/HHCCN-Forms-English-and-Spanish.zip</a>
Hospital-Issued Notice of Noncoverage (HINN)	<a href="https://www.cms.gov/Medicare/Medicare-General-Information/BNI/Downloads/HINNs.zip">https://www.cms.gov/Medicare/Medicare-General-Information/BNI/Downloads/HINNs.zip</a>
Items and Services Not Covered Under Medicare	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1253078">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1253078</a>
Medicare Claims Processing Manual, Chapter 30, Section 20.1	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf#page=14">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf#page=14</a>
Skilled Nursing Facility Advance Beneficiary Notice of Noncoverage (SNFABN), Form CMS-10055	<a href="https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS019508">https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS019508</a>

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