



Date: January 25, 2010  
To: Ordering Providers  
From: HML Patient Accounts  
Subject: CMS Transmittal 1840 regarding Advanced Beneficiary Notices

CMS announced that effective April 1, 2010 all institutional/facility claims submitted with a –GA modifier (waiver of liability statement issued) will deny as beneficiary liability. CMS *will not* check the common working file (CWF) to verify whether the service was covered or not. This new rule places the burden on patients to prove that the service meets the coverage conditions. The beneficiary has the right to file an appeal which will then require the Medicare carrier to review the CWF to see if the patient was eligible for coverage. If it's determined by the carrier that the service should be covered, the claim will be reprocessed accordingly.

HML compares diagnostic information provided by the physicians against the tests ordered to determine when the services will not be covered by Medicare. The patient is then required to sign an ABN acknowledging that the service will not be covered and accepting financial responsibility once we receive the official Medicare denial.

For many years, Hagerstown Medical Laboratory has tried to take the burden off of the patient and has contacted the physicians' offices to inquire about an additional diagnosis if the claim has denied. If the physician was able to provide additional information, we requested a Medicare redetermination on the patient's behalf. Unfortunately, with this new rule, HML will no longer be able to contact Medicare. The patients will be directed back to the ordering physician if they feel the charges should be covered and they will then have to provide this information directly to Medicare. Information regarding the appeals process can be found on the patient's Medicare Summary Notice.

This is certainly not a welcome change for any of the parties involved but HML is hoping that this advanced notice will help you prepare for this change. Should you have any additional questions, please feel free to call me at 301-665-4979 or Medicare Provider Inquiry at 877-235-8073.

Thank you.  
Wendy Ebersole  
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