



# Requirements of the SNF ABN CMS-10055 Form

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# Today's Presenters

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# Objectives

- After today's session, attendees will:
  - Understand how financial liability notices work
  - Properly complete a SNF ABN CMS-10055 form
  - Issue SNF ABNs appropriately and timely
  - Know where to go for more information

# Agenda

- Financial Liability Notices
- When to Issue SNF ABN
- Properly Issuing the SNF ABN
- Completing the Form SNF ABN CMS-10055
- Special Situations
- Wrap up & Questions

# Today's Presentation

- Presentation is available on our website
  - Go to [our website](#)
  - Select your provider type and applicable state, select **Enter**.
  - On the Welcome page, select **Events**
  - Next to the **Register** button for this event, select **Read More** at the bottom of the pop-up, select the **Presentation** link
- Materials from prior webinars are available in the **Past Events** section of the Events page

# Financial Liability Protections

- Designed to protect beneficiaries and healthcare providers under certain circumstances from unexpected financial liability for charges associated with claims that Medicare does not pay
  - "Limitation on Liability" (LOL)
  - [CMS Internet-Only Manual, Publication 100-04, Medicare Claims Processing Manual, Chapter 30](#)



# Financial Liability Notices

- Healthcare providers required to provide adequate notice of possible financial liability to beneficiaries
  - Allows patient to make educated decision
  - If patient still wishes to receive proposed service after notice given, they may be financially liable
  - Optional but not required for some situations where patient always financially liable
    - Example – Not a Medicare benefit

# ABN General Information

- Which ABN To Use?
  - [SNF ABN form CMS-10055](#) (version 09/2020)
    - Inpatient Part A services provided in SNF setting
  - [CMS R-131 | CMS](#)
    - Part B services that SNF furnishes
- Must use the most current version
- Fillable version available on CMS website

# SNF ABN CMS-10055 Purpose

- Written notice to Medicare beneficiary required before Part A services
  - Furnished
  - Reduced
  - Terminated
- Can be used as voluntary notice

# SNF ABN CMS-10055 Purpose

- SNF, UR entity, QIO, or MAC believes that Medicare will not pay for, or will not continue to pay for extended care services due to:
  - Not reasonable or medically necessary for diagnosis or treatment of illness, injury, or to improve functioning of malformed body member
  - Custodial care (not covered level of care)

# SNF ABN Standards

- Failure to provide proper SNF ABN in situations where physician orders extended care item or service may result in SNF being held financially liable under LOL provisions
- SNFs may also be sanctioned for violating conditions of participation ([42 CFR 483.10](#)) regarding resident (beneficiary) rights

# SNF ABN Standards

- SNFs must not add any customizations beyond permissions listed in SNF ABN form instructions and published in IOM
- SNFs should follow same standards when completing SNF ABN as ABN Form CMS-R-131 in [CMS IOM Publication 100-04, Medicare Claims Processing Manual, Chapter 30, Section 50.6](#), as applicable

# Should SNF ABN be Issued?

- Whether SNF ABN should be issued depends on SNF's expectation of Medicare payment or denial for services that it furnishes
  - SNF expects Medicare to pay – SNF ABN should not be issued
  - SNF never knows whether or not Medicare will pay – SNF ABN should not be issued
  - SNF expects Medicare to deny payment - next question is: "On what basis is denial expected?"

# SNF ABN Triggering Events

- Initiation –
  - SNF believes Medicare will not pay for extended care items or services that physician ordered
- Reduction –
  - SNF proposes to reduce beneficiary's extended care items or services because it expects that Medicare will not pay for a subset of extended care items or services, or for any items or services at the current level and/or frequency of care that physician has ordered



# SNF ABN Triggering Events

- Termination –
  - SNF proposes to stop furnishing all extended care items or services to beneficiary because it expects that Medicare will not continue to pay for items or services that physician has ordered and beneficiary would like to continue receiving the care

# SNF ABN Not Issued

- SNF not furnishing/refusing to furnish extended care items or services
- Patient agrees with triggering event and will not receive services
- For Medicare Advantage (Part C) enrollees
- For non-Medicare patients
- Swing-bed determinations
  - Use Preadmission/Admission HINN instead

# SNF ABN Not Issued

- Extended care items or services reduced or terminated according to physician's order
- Physician does not order items or services at issue
- Physician agrees in writing with SNF/UR entity/QIO/Medicare contractor assessment that extended care items or services not necessary

# SNF ABN Not Issued

- Categorical exclusion, item or service not Medicare benefit
  - Example - personal comfort items
- Patient did not meet technical benefit requirement for Medical benefit
  - Example - SNF stay not preceded by required prior three-day hospital stay

# SNF ABN Not Issued

- Part B services not payable (directly or under arrangement) because payment cannot be made under Part A
  - Example - beneficiary exhausted allowed days of inpatient SNF coverage or receiving noncovered LOC

# Issuing SNF ABN

- Notify beneficiary/authorized representative by timely and effective delivery of proper notice document
  - Must include explanation written in clear language for reason SNF believes services will be denied payment
  - Must meet standards for approved model notice language (CMS IOM Publication 100-4, *Medicare Claims Processing Manual*, Chapter 30, Section 40.3)
  - Inability to issue ABN does not allow liability shift to beneficiary

# Timely Delivery

- SNF ABN issued well enough in advance that patient can make rational/informed decision without undue pressure
  - Issued last minute may be considered coercive/defective notice
  - Beneficiary has time to make other arrangements - no specific number of days cited by CMS
- SNF must advise beneficiary orally and in writing before service initiated or continued

# Preparing SNF ABN

- Original document containing signature of patient/authorized representative
- SNF copy
- At least one patient copy
- Attending physician copy
- MAC copy (when necessary)



# Completion of SNF ABN CMS 10055 Form

- [SNF ABN Instructions](#)
- Must ensure readability of SNF ABN
  - Facilitates beneficiary/authorized representative understanding
- Originals and copies must be legible and of high-contrast
  - Low-contrast combinations and block shading prohibited
- Handwritten insertions - must be legible

# Completion of SNF ABN CMS-10055 Form

- Typed/printed insertions should not be in italics or font difficult to read
- Recommended:
  - Arial or Arial Narrow font, or similarly readable font, in font size range of 10 to 12 point
  - Black or dark blue ink on white background - visually high-contrast combination of dark ink on pale background required

# SNF ABN Form Sections

- Skilled Nursing Facility
- Beneficiary's Name
- Beneficiary's Identification Number (**not** MBI)
- Date of Notice (blank space on form)
- Care
- Estimated Cost
- Reason Medicare May Not Pay

# SNF ABN Form Sections

- Option Checkboxes (patient chooses 1, 2 or 3)
- Additional Information
- Signature of Patient or Authorized Representative
- Date Signed by Patient or Authorized Representative

# SNF ABN Header

- SNF may customize this section
- Should have identifying information as billing entity
  - Must include name, address, telephone and TTY/TDD numbers
    - Directions for using other telecommunication system for individuals with impaired speech or hearing
  - SNF may include logo

# Date of Notice

- Enter date SNF issued notice personally to patient
- Where personal delivery not possible, must include:
  - Date patient notified by telephone
  - Date SNF ABN mailed to patient

# "Care" Section

- SNF may customize this section
- Specify services for which Medicare expected not to pay
  - Sufficient detail so patient understands precisely what services may not be furnished
  - Essential that effective date(s) be included in specification of services
  - Phrase "Items or Services" must also be included in this section

# "Reason Medicare May Not Pay" Section

- SNF may customize this section
- Specific reason(s) why SNF, UR entity, QIO, or MAC expects Medicare to deny payment
- Reason(s) cited must be in understandable lay language
  - Sufficiently specific to allow patient to understand basis for expectation that Medicare will deny payment
  - Word "because" must be used



# Answering Inquiries About SNF ABN Notification

- SNF required to answer inquiries from patient who requests assistance in understanding and responding to SNF ABN
  - Including basis for SNF's, UR entity's, QIO's, or MAC assessment that items or services may not be covered

# Cost Estimate

- SNF may provide patient with estimated cost of services
  - SNF should respond to cost inquiries
  - Estimated cost estimate acceptable

# Providing Contractor Information

- SNF required to enter name, address, telephone and TTY/TDD telephone numbers of MAC
- Permits patient to contact MAC directly should determination on associated Medicare claim not be received within 90 days

# Option Boxes

- Patient/authorized representative selects option by making mark in checkbox 1, 2 or 3
  - Patient or authorized representative must select one option
  - More than one option marked – unacceptable and will not protect SNF from liability
  - SNF pre-selecting option prohibited and will invalidate SNF ABN

# Effect of Beneficiary's Option Selection

- Option 1
  - "I want the care listed above. I want Medicare to be billed for an official decision on payment, which will be sent to me on a Medicare Summary Notice (MSN). I understand that if Medicare doesn't pay, I'm responsible for paying, but I can appeal to Medicare by following the directions on the MSN."
- Patient receives items/services and demand bill must be submitted to Medicare for official determination

# SNF Demand Bill

- Demand bill (CC 20) reviewed to assure compliance with medical necessity, coverage and payment liability policy
  - Detailed billing instructions: CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 1 Section 60.3.2 (B)

# Effect of Beneficiary's Option Selection

- Option 2:
  - "I want the care listed above, but don't bill Medicare. I understand that I may be billed now because I am responsible for payment of the care. I cannot appeal because Medicare won't be billed."
- Patient receives items/services but claim not sent to Medicare
  - Cannot be chosen for dually-eligible patients

# Effect of Beneficiary's Option Selection

- Option 3:
  - "I don't want the care listed above. I understand that I'm not responsible for paying, and I can't appeal to see if Medicare would pay."
- Patient elected not to receive items or services and no claim sent to Medicare



# Name, Identification Number, Date

- Enter patient name
  - NOT authorized representative name
- Optional – Enter patient's internal filing number (such as medical record number)
- Enter date SNF ABN signed

# Signature Requirements for SNF ABN

- Obtain signed/dated SNF ABN with Option selected
  - Either in person (or return mail)
  - Beneficiary retains patient copy - returns original
  - SNF annotates original with date of receipt from beneficiary

# Dual-Eligible Patients

- Per [CR 12242](#), as of 10/14/21 certain verbiage under Option 1 needs to be struck through for dual-eligible patients due to federal law
  - If claim determined to be patient-liable, these patients cannot be billed until Medicaid processes claim
  - CR updates CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 30, Section 50 but CMS confirmed changes required for SNF ABN as well
    - Not regulatory requirement, SNF will not be held liable if verbiage not struck through

# Dual-Eligible Patients

- Provider must strike out in Option Box 1:
  - ☐ 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~~
- Must be instructed to check Option Box 1 in order for claim to be submitted to Medicare

# Routine Notice Prohibition

- Issuing SNF ABN where no specific identifiable reason to believe Medicare will not pay
  - Routine notice considered defective and will not protect SNF from liability
  - SNF should have genuine doubt that Medicare will make payment as indicated by stated reasons

# Routine ABN Prohibition Exceptions

- ABN may be issued routinely in exceptional circumstances:
  - Services which are always denied for medical necessity
  - Experimental items and services
  - Frequency limited items and services
- CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 30 Section 40.3.6.4

# Refusal to Sign SNF ABN

- Annotate copy indicating circumstances/ persons involved
  - Decide whether or not to furnish services
- If patient refuses to pay but demands services and SNF decides to provide services - have second person witness patient's refusal to sign

# Other Delivery Methods

- When in-person delivery not possible, may deliver SNF ABN via
  - Direct telephone contact
  - US Mail
  - Secure fax machine
  - Internet e-mail
- Beneficiary should not dispute such contact



# Other Delivery Methods

- Must adhere to all statutory privacy requirements under HIPAA
- Telephone contacts should be followed immediately by either hand-delivered, mailed, emailed, or faxed notice
- Electronic issuance
  - Beneficiary allowed to request paper ABN instead
  - Regardless of digital or manually penned signature, beneficiary given signed paper copy of ABN

# Other Delivery Methods

- To be valid, must receive response from beneficiary or his/her representative
  - Notate method and date in medical record
- Keep copy on file until signed notice received
- If beneficiary does not return signed copy
  - Document initial contact and subsequent attempts to obtain signature in appropriate records or on notice itself

# Collection From Beneficiary

- SNF ABN properly executed and issued timely
  - SNF prohibited from collecting for related services until beneficiary received Medicare payment determination
  - Medicare does not limit amount collected
- **Note** – Cannot collect from dually eligible patients until claim finalized by Medicaid/QMB

# Reissuance of SNF ABN

- One year limit for use of single SNF ABN for extended course of treatment
- Triggering event would necessitate issuance of new SNF ABN
- Once signed by beneficiary - may not be modified/revised
- When beneficiary notified of new information
  - New SNF ABN issued

# ABN Retention

- Signed ABN kept on file by SNF generally minimum of five years from discharge/ completion of delivery of care
  - State law may have other applicable requirements
- Electronic retention of signed paper document acceptable
- Can retain copy if SNF does not have access to original signed document
  - Example – delivered notice via fax

# What You Should Do Now...

- Share this information within your facility
- Educate staff on SNF ABN requirements
- Assure appropriate policy and procedure in place
- Keep up to date on latest information by joining our email updates
- Review references and wrap up slides

# Thank You!

- Follow-up email
  - Attendees will be provided a Medicare University Course Code
- Questions?

