

# Business Smart living

## New software at Memorial will help patients who have Medicare

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Beginning Aug. 30, Sheridan Memorial Hospital will implement new software that will aid in providing information to Medicare beneficiaries regarding their benefits.

This will be helpful to patients who may not know if an outpatient service will be covered by Medicare, and it will also ensure that SMH complies with Medicare regulations.

This process involves providing Advance Beneficiary Notices to Medicare beneficiaries seeking outpatient services when the provider believes a service may not be covered by Medicare.

What are ABNs?

An Advanced Beneficiary Notice of noncoverage is written notice that is required by Medicare and given to a patient when services such as lab tests, radiology procedures, and other outpatient procedures do not meet "medical necessity" requirements covered under the Social Security Act (section 1862).

The ABN outlines the specific item or service and provides an explanation as to why it might not be covered. The estimated cost of the item is included.

The ABN is provided to the patient prior to receiving the service in order to allow the beneficiary to make an informed decision as to whether he would like to receive the service and accept financial responsibility, or choose not to receive the service.

In addition, patients may appeal to Medicare if they elect to have the provider bill Medicare when they have received a denial.

### Medical Necessity

Determining medical necessity is a complex task. It requires comparing diagnosis with services ordered by using the International Classification of Diseases diagnostic codes and comparing them with the test or procedure code for the service ordered using Current Procedural Terminology codes.

In addition, local and national Medicare policies are checked for compliance.

Other possible reasons an ABN may be given when Medicare may not cover an item or service include frequency limitations, where Medicare limits the frequency



Courtesy photo

Sheridan Memorial Hospital employee Lori Dodge (left) explains Advanced Beneficiary Notices to Medicare patient Kathleen Kelley of Sheridan on Tuesday at the hospital. ABNs explain specific items or services that Medicare might not cover.

in which some outpatient tests or procedures will be covered unless the patient's condition has changed and his physician has documented the change on the order.

Also, Medicare does not cover research or experimental studies or services or procedures that are not approved by the Food and Drug Administration.

Medicare excludes some items, services or supplies by definition under the Social Security Act that are not a Medicare benefit, and those do not require an ABN.

Examples of these include: personal comfort items, routine physical exams, most screening tests, shots, routine eye care/eye-glasses/exams, hearing aids/exams, cosmetic surgery and many more. Items such as these that are not usually covered will not require an ABN to be given to the patient.

ABNs are required only for those items that are sometimes covered and might be excluded based on any of the above medical necessity, frequency, or research limitations.

### Memorial Hospital

According to Rod Gifford, admissions supervisor at Sheridan Memorial Hospital, making the transition from an ABN paper system to a software-aided process will allow our hospital to provide Medicare outpatients with a clear picture of Medicare guidelines and coverage.

"Medicare is going through a lot of changes, and we know this is very confusing for Medicare patients. We are doing our best at SMH to stay on top of all the changes taking place with Medicare.

"In effort to provide the best service to our customers, the staff are available to help patients by answering any questions and walking them through the process as we go through this change," Gifford said.

Sheridan Memorial Hospital will have a booth at the Health Fair at Sheridan College on Sept. 18 to provide information and answer questions Medicare beneficiaries may have regarding ABNs.