

Medicare, you will be asked to sign a new ABN that specifies the test(s) in question and the reason that Medicare will not pay for the test(s).

Even if you have signed an ABN, the Laboratory will first seek to obtain payment from Medicare. If Medicare refuses to pay - and you have signed an ABN - you will be billed directly by the laboratory for the testing. Of course, you are free to contact your doctor or Medicare if you believe that Medicare has incorrectly denied your claim.

Will signing the ABN affect Medicare's decision to pay for the test?

NO. Medicare considers a number of factors in determining whether Medicare will pay for your test. These include the purpose of the test, the length of time since your last test, and whether the test is considered medically necessary to help your doctor give you the best treatment. The fact that you have signed an ABN does not increase or reduce the likelihood that Medicare will pay for your test.

How much will I have to pay for a laboratory test if Medicare will not pay?

Test prices vary, so contact HCCL directly for the price of the specific test. If you cannot afford to pay for a test, discuss this with your doctor.

Will supplemental insurance pay for tests not paid for by Medicare?

Supplemental insurance policies (sometimes called "Medigap" policies) may reimburse for some testing not paid for by Medicare. You should submit both the laboratory's bill and the Medicare Explanation of Benefits form with the claim you submit to your supplemental insurance.

If Medicare will not pay for a test, does that mean I do not need the test?

No. Your doctor bases decisions about laboratory testing on a wide range of factors including such things as your personal medical history, any medications you might be taking, and generally accepted medical practices. Even if your doctor believes a particular test is "good medicine" and useful information to have in order to provide the best care to you, it is possible that Medicare may not consider the test to be medically necessary for patients with your diagnosis. The law forbids Medicare from paying for testing that Medicare does not consider to be medically necessary.



PATIENT INFORMATION

MEDICARE POLICIES REGARDING THE CLINICAL LABORATORY

The following is a list of frequently asked questions and their answers regarding Medicare's reimbursement policies affecting laboratory services.

If you have any additional questions, please ask your doctor or contact Medicare.

How does the laboratory billing process work?

When your doctor orders testing from a laboratory outside of his or her office, the laboratory performs the tests that were requested. The laboratory bills Medicare for the tests. Note that the laboratory - and not the doctor - bills Medicare directly for the tests that have been performed for you. The laboratory provides Medicare with your Medicare number, the tests performed, and your doctor's diagnosis.

Generally, Medicare pays for 100% of the cost of most laboratory testing

according to pre-set fees that it establishes on a national basis. For a few tests, Medicare will only pay a portion of the cost after you - the Medicare beneficiary - have met your annual deductible.

Under certain circumstances that are described in this brochure, Medicare will not pay any part of the test's cost - and you may be asked to pay. In cases where you may be responsible for the cost of your laboratory test, you should be advised of this and asked to sign a form called an ADVANCE BENEFICIARY NOTICE (or ABN) that indicates you are aware of your responsibility to pay. Once you sign the ABN, you can be billed by the laboratory for the cost of the test.

I've never had to pay for a laboratory test before. Is this something new?

There have been a number of recent changes in the payment policies of the Medicare program. The policies could in some instances increase your out-of-pocket expenditures.

For example, one change implemented several years ago, requires your doctor to list a diagnosis(es) when he or she orders certain tests in order to show medical necessity for those tests. Medicare will only pay for testing that it considers to be medically necessary, and, for some tests, Medicare only accepts certain diagnoses to show that the test is medically necessary.

Therefore, for certain tests specified by Medicare, your doctor must give a diagnosis on your test request form that is acceptable to Medicare, or Medicare will not pay for the test. If you doctor orders a test that requires a certain diagnosis - but fails to list a diagnosis or lists one that is not accepted by Medicare - you can be billed for the testing if you have signed an ABN.

What is the purpose of an Advance Beneficiary Notice (ABN)?

There may be times that a test your doctor orders for you will be considered to be medically unnecessary by Medicare, and therefore will not be paid for by Medicare. If your doctor or the laboratory has reason to believe that Medicare will not pay for your test, you will be informed of this. You may then be asked by your doctor or by someone who works at the laboratory to sign an ABN.

The purpose of the ABN is to give you advance notice that Medicare may not pay for your test. The form of the ABN may vary between laboratories. All ABNs should, however provide you with the following : (1) the test or tests in question; (2) the fact that your physician or the laboratory believes that Medicare is likely to deny payment for the specified test(s); (3) the reason(s) that denial is likely; (4) a statement that you will be responsible if Medicare denies payment; and (5) to

pay for the tests if Medicare does not. After you have signed the ABN, the laboratory is permitted to bill you for any of the tests listed on the ABN if Medicare will not pay for them.

How will I know if Medicare will not pay for my test?

Your doctor should have information which (1) specifies which tests must be accompanied by a diagnosis, and (2) identifies which diagnoses will be acceptable in order for Medicare to pay for the test. It is important that your doctor provide appropriate diagnosis information to the laboratory when Medicare requires a particular diagnosis to support payment for the test. If your doctor or the laboratory has reason to believe that Medicare will consider a test your doctor has ordered for you to be medically unnecessary, you should be advised of this, given the reason why, and asked to sign an ABN.

When will I be asked to sign an ABN?

When there is reason to believe that Medicare will not pay for your test, you will be asked to sign an ABN before the testing in question is performed. Your doctor should be able to make this determination for you when he or she orders your test. You will not be asked to sign an "umbrella" ABN that applies to all future testing. Each time there is reason to believe that a particular test will not be covered by