

Warning: Avoid ADVANCE BENEFICIARY NOTICE
By Woodrow Wilcox

In the last two weeks, two of the clients whom I serve were “stung” by an ADVANCE BENEFICIARY NOTICE.

In past articles, I have warned readers about the ADVANCE BENEFICIARY NOTICE. It is a document that doctors, hospitals, and other medical service providers “push” in front of patients with the statement, “And, you need to sign this.”

The ADVANCE BENEFICIARY NOTICE obligates the patient (or guardian) to pay for the specified medical service even if Medicare refuses to pay for it.

Typically, there is no warning or explanation by the staff member of the medical service provider that the patient is being asked to pay for more than what Medicare will pay. So, be warned. Read everything that a medical service provider’s staff member asks you to sign.

That is easier said than done. Often, the person who is asked to sign the ADVANCE BENEFICIARY NOTICE is already ill, or impaired for reading and understanding the document. A friend or relative who is well and alert should accompany the senior citizen who needs medical care in order to help the senior citizen avoid signing an ADVANCE BENEFICIARY NOTICE or any other document that would harm the senior citizen financially.

One of our clients signed an ADVANCE BENEFICIARY NOTICE and got stuck with an extra charge of \$35. Another signed an ADVANCE BENEFICIARY NOTICE and got stuck with an extra charge of almost \$300. There is no limit to the extra amount that can be charged once the ADVANCE BENEFICIARY NOTICE is signed.

In previous articles of this column, I have warned against signing this document. I have written to congressional leaders asking that this document be outlawed because I believe that it is so unfair and “sneaky” towards senior citizens. But, medical service providers love it because the ADVANCE BENEFICIARY NOTICE is now legal and binding and it helps them to make more money.

Normally, a medical service provider who has contracted to accept Medicare payments is bound not to charge the patient more than what Medicare allows. If Medicare disallows a medical service or procedure, the medical service provider must “write off” that charge. Medicare typically approves charges unless the service is part of a routine check up or is not medically necessary.

So, if a senior citizen is presented with an ADVANCE BENEFICIARY NOTICE to sign, ask the medical service provider why Medicare won’t approve the charges for the services proposed. If the answer does not fall within the “routine check-up” or “not medically necessary” categories, be suspicious that the reason given is not completely honest. Ask if a different medical service or procedure that would be approved by Medicare could be used instead of the one proposed.

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