

Blue Cross and Blue Shield of Montana

Provider Compensation Policy

Title: Advance Member Notification
New Policy: *Effective Date:* 1/1/2020
Revised Policy: *Revision Date:*
Replaces Policy:

Scope:

This policy applies to all lines of Blue Cross and Blue Shield of Montana (BCBSMT) business except for Medicare supplements and Medicare Advantage and the Federal Employee Program.

Purpose:

Advance Member Notification (AMN) refers to the process in which a BCBSMT participating provider informs a BCBSMT Member (Member) that a service, supply, device, or drug (Service) may not be a medically necessary covered service prior to the Service being performed.

Participating Providers agree they will not bill Members for services BCBSMT denies as not Medically Necessary. However, through the AMN process, the member may make an informed decision to assume potential financial responsibility for the Service if the Member chooses to proceed with the Service. With an appropriately completed AMN for the specific Services, the Participating Provider can bill the member for services denied as not Medically Necessary.

Policy:

A preservice review (preauthorization/predetermination) should be completed to determine if a Service is considered not Medically Necessary.

Participating Providers may not bill the Member for Services that BCBSMT determines are not Medically Necessary. However, participating providers may bill Members for Services determined to be not Medically Necessary when the participating provider makes available to the Member with an AMN, information that (a) identifies the proposed Service(s), (b) informs the Member that such Service(s) may be deemed by BCBSMT to be not Medically Necessary, (c) provides an estimate of the cost to that Member for such Service(s), and (d) that Member agrees in writing in advance of receiving such Service(s) to assume financial responsibility for such Service(s).

Participating Provider must submit the signed copy of the AMN to BCBSMT with the claim. If the participating provider does not issue a required notice or BCBSMT finds the notice is invalid, the provider may be financially liable. In this instance, participating providers cannot balance bill the member.

NOTE: The AMN does not limit the Member or provider from exercising his/her right to appeal an adverse benefit determination per the terms and limitations of the Member's contract.

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Content of a Valid Advanced Member Notification:

A valid AMN must:

- Identify the specific proposed Services;
- Inform the Member that such Services may be deemed by BCBSMT to be not Medically Necessary;
- Provide an estimate of the cost to that Member for such Services; and
- Member or Member's authorized representative agrees in writing in advance of receiving such Services to assume financial responsibility for such Services.

The AMN should be:

- Issued to, and understood by, the Member or their representative
- Completed on the approved BCBSMT AMN form with all fields completed. It may include attachments listing additional items and Services. Attachment sheets must clearly match the items or Services to be provided with the reason a denial is expected and cost estimate information
- Issued far enough in advance of the Service to allow sufficient time for the Member to consider available options
- Signed and dated by the Member or his/her authorized representative
- Submitted with the claim form

AMN Claim Submission:

Report Modifier GA when submitting an AMN with a claim.

Definition of Modifier GA: Waiver of Liability Statement Issued as Required by Payer Policy, Individual Case. ®

A valid AMN form must be submitted with the claim to ensure appropriate processing of the not medically necessary service to be the financial responsibility of the Member. Failure to submit the completed and signed form with the claim will result in the participating provider being financially responsible.

Issuing an Advanced Member Notification When Multiple Entities Provide Care:

When multiple entities provide care, BCBSMT does not require separate AMNs. Any participating provider involved in delivering and billing the applicable service code(s) can issue the AMN when:

- There are separate ordering and furnishing providers (for example, a physician orders a laboratory test and an independent laboratory delivers the ordered test)
- One health care provider delivers the technical component and another provider delivers the professional component of the same service (for example, a radiological test an independent diagnostic testing facility provides, and a physician interprets)
- The entity that obtains the signature on the notice is not the same entity billing the service (for example, one laboratory refers a specimen to another laboratory and the second laboratory bills BCBSMT for the test)

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In these situations, enter the names of more than one entity in the header of the notice. Provide an estimate of the cost for each provider's services. Ensure the member can clearly identify whom to contact with billing questions.

When Advance Member Notification May Not Be Used:

An AMN may **not** be obtained:

- For Services for an emergency medical condition
- When the Member is not discharged from a facility due to untimely discharge processes by the facility
- When the provider anticipates one of the following types of denials:
 - Assistant surgeon not allowed
 - No additional payment for applying a modifier
 - For services denied due to a Medically Unlikely Edit (MUE)
 - For a component of a service when BCBSMT makes full payment through a bundled payment (e.g. office visits related to a surgery within the pre-op or post-op surgical period)
- To transfer liability to the Member when BCBSMT would otherwise pay for items and services
- When used by a participating provider to balance bill the difference between the amount charged for a service and the BCBSMT allowable fee
- For substitution of a dissimilar item or service

The AMN form is available on the BCBSMT provider website forms and documents page.

<https://www.bcbsmt.com/provider/education-and-reference/forms-and-documents>

References:

- Provider Manual Chapter 2: Benefit Management Section: Advance Member Notification

Approvals

Approved By	Title / Area	Date
Bob Janicek	VP Provider Network Operations	10/25/2019
Tim Wetherill, MD	Executive Medical Director	10/25/2019

Revision History:

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Version	Approval Date	Version	Approval Date	Version	Approval Date
V01	10/25/2019				

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