

Dermatology Coding Alert

Reader Questions: ABN Smooths Billing for Benign Excisions

Question: I bill for a dermatology practice. Our state Medicaid doesn't cover benign lesion excisions, but we don't know it's benign until the pathology report comes back. Are we supposed to not remove suspicious lesions? Or are we supposed to remove them but not get paid?

Oregon Subscriber

Answer: Your first step is to have the patient sign an Advance Beneficiary Notice (or similar form that is satisfactory under your state's Medicaid program) accepting financial responsibility if Medicaid (or another insurance company) doesn't pay for the service.

Explain that you will file the claim because of protocol, but that you expect it to be denied if the lesion is determined to be benign. Give the patient an estimate of what her expense might be and have her sign the waiver, accepting responsibility for any non-covered portion of the cost.

Tip: You may want to take a similar approach if the removal is for cosmetic reasons.