
CMS Manual System

Pub. 100-04 Medicare Claims Processing

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal 562

Date: MAY 20, 2005

CHANGE REQUEST 3834

SUBJECT: Smoking and Tobacco-Use Cessation Counseling Services

I. SUMMARY OF CHANGES: The Centers for Medicare & Medicaid Services will cover two new levels of counseling for smoking cessation (intermediate and intensive). This decision does not modify existing coverage for minimal cessation counseling (defined as 3 minutes or less in duration) which is already considered to be covered as part of each Evaluation and Management (E/M) visit and is not separately billable. This coverage is published in Pub.100-03, section 210.4. For further details on coverage, refer to that publication.

NEW/REVISED MATERIAL - EFFECTIVE DATE*: March 22, 2005
IMPLEMENTATION DATE: July 5, 2005

II. CHANGES IN MANUAL INSTRUCTIONS: (R = REVISED, N = NEW, D = DELETED)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	32/Table of Contents
N	32/12/Smoking and Tobacco-Use Cessation Counseling Services
N	32/12.1/HCPCS and Diagnosis Coding
N	32/12.2/Carrier Billing Requirements
N	32/12.3/FI Billing Requirements
N	32/12.4/Remittance Advice (RA) Notices
N	32/12.5/Medicare Summary Notices (MSNs)
N	32/12.6/Post-Payment Review for Smoking and Tobacco-Use Cessation Counseling Services

III. FUNDING: Medicare contractors shall implement these instructions within their current operating budgets.

IV. ATTACHMENTS:

X	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	Recurring Update Notification

*Unless otherwise specified, the effective date is the date of service.

Attachment - Business Requirements

Pub. 100-04	Transmittal: 562	Date: May 20, 2005	Change Request 3834
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SUBJECT: Smoking and Tobacco Use-Cessation Counseling Services

I. GENERAL INFORMATION

A. Background: Tobacco use continues to be the leading cause of preventable death in the United States. In 1964, the Surgeon General of the U.S. Public Health Service (PHS) issued the report of his Advisory Committee on Smoking and Health, officially recognizing that cigarette smoking is a cause of cancer and other serious diseases. Though smoking rates have significantly declined, 9.3% of the population age 65 and older smokes cigarettes. Approximately 440,000 people die annually from smoking related disease, with 68% (300,000) age 65 or older. Many more people of all ages suffer from serious illness caused from smoking, leading to disability and decreased quality of life. Reduction in smoking prevalence is a national objective in Healthy People 2010.

B. Policy: Effective March 22, 2005, the Centers for Medicare and Medicaid Services (CMS) has determined that the evidence is adequate to conclude that smoking and tobacco use cessation counseling, based on the current PHS Guideline, is reasonable and necessary for certain individuals who use tobacco and have a disease or an adverse health effect that has been found by the U.S. Surgeon General to be linked to tobacco use, or who are taking a therapeutic agent whose metabolism or dosing is affected by tobacco use as based on FDA-approved information. These individuals will be covered under Medicare Part B when certain conditions of coverage are met, subject to certain frequency and other limitations. Diagnosis codes should reflect: the condition the patient has that is adversely affected by tobacco use or the condition the patient is being treated for with a therapeutic agent whose metabolism is affected by tobacco use. Medicare's prescription drug benefit will also cover smoking and tobacco-use cessation agents prescribed by a physician beginning January 2006.

The CMS has created two new G codes for billing for smoking and tobacco-use cessation counseling services. They are as follows:

- G0375 - Smoking and tobacco-use cessation counseling visit; intermediate, greater than 3 minutes up to 10 minutes
- Short Descriptor: Smoke/Tobacco counseling 3-10
- G0376 - Smoking and tobacco-use cessation visit; intensive, greater than 10 minutes
- Short Descriptor: Smoke/Tobacco counseling greater than 10

Medicare will allow 8 visits annually in a 12-month period for the above services. The Common Working File (CWF) will be editing for the frequency in a separate instruction.

NOTE: The new codes listed above will **NOT** be in the contractors' payment system until July 5, 2005. Therefore in the interim (March 22, 2005, through July 4, 2005) providers shall bill using unlisted code 99199.

Definitions:

- Cessation counseling attempt occurs when a qualified physician or other Medicare-recognized practitioner determines that a beneficiary meets the eligibility requirements above and initiates treatment with a cessation counseling attempt. A cessation counseling attempt includes up to 4 cessation counseling sessions (1 attempt=up to 4 sessions). Two cessation counseling attempts (or up to 8 cessation counseling sessions) are allowed every 12 months. In calculating the 12-month period, it is necessary for at least 11 months to have passed following the month in which the first Medicare-covered cessation counseling attempt/session was performed.
- Cessation counseling session means face-to-face patient contact of either the intermediate (greater than 3 minutes and up to 10 minutes) or the intensive (greater than 10 minutes) type performed either by or “incident to” the services of a qualified practitioner for the purpose of counseling the beneficiary to quit smoking or tobacco use. During a 12-month period, the practitioner and the beneficiary would have flexibility to choose between intermediate or intensive cessation strategies for each session.

II. BUSINESS REQUIREMENTS

“Shall” denotes a mandatory requirement

“Should” denotes an optional requirement

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
3834.1	Effective for services performed on and after March 22, 2005 through July 4, 2005 and received prior to July 5, 2005, contractors shall pay claims when billed with unlisted code 99199 for smoking and tobacco- use cessation counseling when covered in accordance with Pub.100-03, section 210.4. Note: 99199 is carrier priced.	X	X	X		X	X	X		
3834.2	Contractors shall educate providers via a Medlearn Matters Article to place one unit per session in the units field of the claim.	X	X	X						
3834.3	Effective for claims with Smoking and Tobacco-Use Cessation Counseling services on and after July 5, 2005, contractors shall pay claims when billed with HCPCS codes G0375	X	X	X		X	X	X		OCE MPFSDB

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
	and G0376 for smoking and tobacco-use cessation counseling services when covered in accordance with Pub. 100-03, section 210.4. (Contractors systems will be updated through the OCE and the Medicare Physician Fee Schedule (MPFS) July Quarterly update. The G codes are effective back to dates of service March 22, 2005.)									
3834.4	Contractors and CWF shall apply the TOS indicator 9 to the new G codes when updating their payment systems.			X					X	
3834.5	Contractors shall deny claims for smoking and tobacco-use cessation counseling services for dates of service prior to March 22, 2005. When denying claims, contractors shall use reason code 26, “Expenses incurred prior to coverage.” Contractors shall include MSN message 21.11, “This service was not covered by Medicare at the time you received it.”	X	X	X		X	X	X		
3834.6	Carriers shall allow payment for a medically necessary Evaluation and Management (E/M) service on the same day as the smoking and tobacco-use cessation counseling service when it is clinically appropriate. Physicians and qualified non-physician practitioners shall use HCPCS 99201 – 99215 to report an E/M service with modifier 25 to indicate that the E/M service is a separately identifiable service from a smoking and tobacco-use cessation counseling service.			X			X	X		
3834.7	Contractors shall allow Smoking and Tobacco-Use Cessation Counseling services only when submitted on one of the following types of bills (TOBs): 12X, 13X, 14X, 22X, 23X, 34X, 71X, 73X, 74X, 75X, 83X, 85X.	X	X			X				

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
3834.8	<p>Effective for claims received on or after July 5, 2005, contractors shall accept Smoking and Tobacco-Use Cessation Counseling codes G0375 and G0376 with revenue code 0942 (other therapeutic services; education/training).</p> <p>Note: Effective March 22, 2005, through July 4, 2005, contractors shall accept unlisted code 99199 for Smoking and Tobacco-Use Cessation Counseling services with revenue code 942.</p>	X	X			X				
3834.9	<p>Contractors shall accept revenue code 052X for Smoking and Tobacco-Use Cessation Counseling services on types of bills 71X and 73X.</p> <p>Note: In accordance with CR 3487, effective April 1, 2005, providers are not required to show HCPCS codes with revenue code 052X for types of bills 71X and 73X. However, if the HCPCS codes are present, it will be edited accordingly.</p>	X				X				
3834.10	Contractors shall pay RHCs/FQHCs for Smoking and Tobacco-Use Cessation Counseling services based on the all-inclusive rate (AIR) for the encounter.	X				X				
3834.11	Contractors shall pay Indian Health Service (IHS)/tribally owned or operated hospital and hospital-based facilities for Smoking and Tobacco-Use Cessation Counseling services the AIR on type of bill 13X.	X				X				
3834.12	Contractors shall accept revenue code 0510 for Smoking and Tobacco-Use Cessation Counseling services on Indian Health Service (IHS) claims.	X				X				
3834.13	Contractors shall pay the facility specific visit rate to IHS/tribally owned or operated critical access hospital (CAH) for Smoking and Tobacco-Use Cessation Counseling services on	X				X				

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
	type of bill 85X.									
3834.14	Contractors shall pay claims submitted for Smoking and Tobacco-Use Cessation Counseling services when provided by a hospital or skilled nursing facility (SNF) as follows: <ul style="list-style-type: none"> • based on APC for hospitals subject to the outpatient prospective payment system (OPPS); • under current payment methodologies for hospitals not subject to OPPS; or • under the MPFS for Part B SNF claims. 	X				X				
3834.15	Contractors shall instruct providers reimbursed under OPPS to submit claims with appropriate HCPCS codes G0375 or G0376. Note: Providers reimbursed under OPPS shall not submit claims with unlisted code 99199.	X								
3834.16	Upon receipt of HCPCS codes G0375 or G0376 from providers reimbursed under OPPS, contractors shall suspend the claim until implementation of the July 5, 2005 release.	X				X				
3834.17	Upon release of the suspended claims, on or after July 5, 2005, contractors shall apply condition code 15 as appropriate.	X								
3834.18	Contractors shall pay claims submitted for Smoking and Tobacco-Use Cessation Counseling services when provided by a comprehensive outpatient rehabilitation facility (CORF), outpatient rehabilitation facility (ORF), or home health agency (HHA) based on the MPFS.	X	X			X				

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
F I S S	M C S					V M S	C W F			
3834.19	Contractors shall pay claims submitted for Smoking and Tobacco-Use Cessation Counseling services when provided by a CAH as follows: Method I, technical services are paid at 101% of reasonable cost: Method II, Professional services are paid at 115% of the MPFS.	X				X				
3834.20	Contractors shall pay for Smoking and Tobacco-Use Cessation Counseling services in Maryland hospitals, on an inpatient or outpatient basis according to the Health Services Cost Review Commission (HSCRC). That is 94% of submitted charges subject to any unmet deductible, coinsurance, and non-covered charges policies.	X				X				
3834.21	Contractors shall instruct providers to document and keep on file, Medicare beneficiary medical records adequate to demonstrate, upon medical review, that the NCD coverage requirements have been met. By submitting a claim for services, providers are asserting that such coverage requirements have been met.	X	X	X						

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
F I S S	M C S					V M S	C W F			
3834.22	A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the	X	X	X						

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	established "Medlearn Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.								

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions
3834.16.1	Claims submitted with HCPCS code G0375 or G0376 may be suspended by means of a Super-Op event or a comparable mechanism.

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date*: March 22, 2005</p> <p>Implementation Date: July 5, 2005</p> <p>Pre-Implementation Contact(s): Yvonne Young, Part A Claims, (410) 786-1886, Thomas Dorsey, Part B Claims, (410) 786-7434, Bill Larson, Coverage, (410) 786-7434, Pat Brocato-Simons, coverage, (410) 786-0261</p> <p>Post-Implementation Contact(s): Appropriate regional office</p>	<p>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2005 operating budgets.</p>
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***Unless otherwise specified, the effective date is the date of service.**

Medicare Claims Processing Manual

Chapter 32 – Billing Requirements for Special Services

(Rev. 562, 05-20-05)

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12.6 - Post-Payment Review for Smoking and Tobacco-Use Cessation Counseling Services

12 - Smoking and Tobacco-Use Cessation Counseling Services

(Rev. 562, Issued: 05-20-05; Effective: 03-22-05; Implementation: 07-05-05)

Background: Effective for services furnished on or after March 22, 2005, a National Coverage Determination (NCD) provides for coverage of smoking and tobacco-use cessation counseling services. Conditions of Medicare Part A and Medicare Part B coverage for smoking and tobacco-use cessation counseling services are located in the Medicare National Coverage Determinations Manual, Publication 100-3, section 210.4.

12.1 - HCPCS and Diagnosis Coding

(Rev. 562, Issued: 05-20-05; Effective: 03-22-05; Implementation: 07-05-05)

The following HCPCS codes should be reported when billing for smoking and tobacco-use cessation counseling services:

G0375 - Smoking and tobacco-use cessation counseling visit; intermediate, greater than 3 minutes up to 10 minutes

Short Descriptor: Smoke/Tobacco counseling 3-10

G0376 - Smoking and tobacco-use cessation counseling visit; intensive, greater than 10 minutes

Short Descriptor: Smoke/Tobacco counseling greater than 10

NOTE: The above G codes will NOT be active in contractors' systems until July 5, 2005. Therefore, contractors shall advise providers to use unlisted code 99199 to bill for smoking and tobacco-use cessation counseling services during the interim period of March 22, 2005, through July 4, 2005, and received prior to July 5, 2005.

On July 5, 2005, contractors' systems will accept the new G codes for services performed on and after March 22, 2005.

Contractors shall only pay for 8 Smoking and Tobacco-Use Cessation Counseling sessions in a 12-month period. The beneficiary may receive another 8 sessions during a second or subsequent year after 11 full months have passed since the first Medicare covered cessation session was performed. To start the count for the second or subsequent 12-month period, begin with the month after the month in which the first Medicare covered cessation session was performed and count until 11 full months have elapsed.

Claims for smoking and tobacco use cessation counseling services shall be submitted with an appropriate diagnosis code. Diagnosis codes should reflect: the condition the patient has that is adversely affected by tobacco use or the condition the patient is being

treated for with a therapeutic agent whose metabolism or dosing is affected by tobacco use.

NOTE: *This decision does not modify existing coverage for minimal cessation counseling (defined as 3 minutes or less in duration) which is already considered to be covered as part of each Evaluation and Management (E/M) visit and is not separately billable.*

12.2 - Carrier Billing Requirements

(Rev. 562, Issued: 05-20-05; Effective: 03-22-05; Implementation: 07-05-05)

With the July 2005 quarterly update to the Medicare Physician Fee Schedule, carriers shall accept the above G codes for dates of service performed on and after March 22, 2005. The type of service (TOS) for each of the new codes is 9.

Carriers pay for counseling services billed with codes G0375 and G0376 based on the Medicare Physician Fee Schedule (MPFS). Deductible and coinsurance apply. Claims from physicians or other providers where assignment was not taken are subject to the Medicare limiting charge, which means that charges to the beneficiary may be no more than 115 percent of the allowed amount.

Carriers shall allow payment for a medically necessary E/M service on the same day as the smoking and tobacco-use cessation counseling service when it is clinically appropriate. Physicians and qualified non-physician practitioners shall use HCPCS 99201– 99215 to report an E/M service with modifier 25 to indicate that the E/M service is a separately identifiable service from G0375 or G0376.

Physicians or qualified non-physician practitioners shall bill the carrier for smoking and tobacco-use cessation counseling services on the Form CMS-1500 or an approved electronic format.

12.3 - FI Billing Requirements

(Rev. 562, Issued: 05-20-05; Effective: 03-22-05; Implementation: 07-05-05)

Effective for dates of service on and after July 5, 2005, FIs shall recognize the HCPCS codes in 12.1 for Smoking and Tobacco-Use Cessation Counseling services.

A. Claims for Smoking and Tobacco-Use Cessation Counseling services should be submitted on Form CMS-1450 or its electronic equivalent.

The applicable bill types are 12X, 13X, 14X, 22X, 23X, 34X, 71X, 73X, 74X, 75X, 83X, and 85X.

Applicable revenue code is 0942 (Other therapeutic services; education/training).

NOTE: Rural health centers/federally qualified health centers (RHCs/FQHCs) must use revenue code 052X to report Smoking and Tobacco-Use Cessation Counseling services.

****When these services are provided by a Clinical Nurse Specialist in the RHC/FQHC setting, they are considered “incident to” and do not constitute a billable visit.**

Payment is as follows:

Type of Facility	Method of Payment
Rural Health Centers (RHCs)/Federally Qualified Health Centers (FQHCs)	All-inclusive rate (AIR) for the encounter
Indian Health Service (IHS)/Tribally owned or operated hospitals and hospital-based facilities	All-inclusive rate (AIR)
IHS/Tribally owned or operated non-hospital-based facilities	Medicare Physician Fee Schedule (MPFS)
IHS/Tribally owned or operated Critical Access Hospitals (CAHs)	Facility Specific Visit Rate
Hospitals subject to the Outpatient Prospective Payment System (OPPS)	Ambulatory Payment Classification (APC)
Hospitals not subject to OPPS	Payment is made under current methodologies
Skilled Nursing Facilities (SNFs) Note: Included in part A PPS for skilled patients.	Medicare Physician Fee Schedule (MPFS)
Comprehensive Outpatient Rehabilitation Facilities (CORFs)	Medicare Physician Fee Schedule (MPFS)
Home Health Agencies (HHAs)	Medicare Physician Fee Schedule (MPFS)
Critical Access Hospitals (CAHs)	Method I: Technical services are paid at 101% of reasonable cost. Method II: Professional services are paid at 115% of the MMPFS Data Base
Maryland Hospitals	Payment is based according to the Health Services Cost Review Commission (HSCRC). That is 94% of submitted charges subject to any unmet deductible, coinsurance, and non-covered charges policies.

12.4 - Remittance Advice (RA) Notices

(Rev. 562, Issued: 05-20-05; Effective: 03-22-05; Implementation: 07-05-05)

Contractors shall use the appropriate claim RA(s) when denying payment for smoking and tobacco-use cessation counseling services.

The following message is used where applicable:

- *If the counseling services were furnished before March 22, 2005, use existing RA claim adjustment reason code 26, “Expenses incurred prior to coverage.”*

12.5 - Medicare Summary Notices (MSNs)

(Rev. 562, Issued: 05-20-05; Effective: 03-22-05; Implementation: 07-05-05)

When denying claims for counseling services that were performed prior to the effective date of coverage, contractors shall use an appropriate MSN, such as, MSN 21.11, “This service was not covered by Medicare at the time you received it.”

12.6 - Post-Payment Review for Smoking and Tobacco-Use Cessation Counseling Services

(Rev. 562, Issued: 05-20-05; Effective: 03-22-05; Implementation: 07-05-05)

As with any claim, Medicare may decide to conduct post-payment reviews to determine that the services provided are consistent with coverage instructions. Providers must keep patient record information on file for each Medicare patient for whom a Smoking and Tobacco-Use Cessation Counseling claim is made. These medical records can be used in any post-payment reviews and must include standard information along with sufficient patient histories to allow determination that the steps required in the coverage instructions were followed.