| CMS Manual System | **Department of Health & Human Services (DHHS)** |
|---|---|
| Pub 100-04 Medicare Claims Processing | **Centers for Medicare & Medicaid Services (CMS)** |
| **Transmittal 1433** | **Date: February 1, 2008** |
| | **Change Request 5878** |

**Subject**: **Smoking and Tobacco Use Cessation Counseling Billing Code Update**

**I. SUMMARY OF CHANGES:** Update the Medicare Claims Processing Manual to reflect two new CPT codes in the 2008 Medicare Physician Fee Schedule Database which replace two temporary HCPCS G codes for Smoking and Tobacco Use Cessation Counseling claims.

**New / Revised Material**
**Effective Date: January 1, 2008 Note: Effective Date is date of service.**
**Implementation Date: July 7, 2008**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

| R/N/D | Chapter / Section / Subsection / Title |
|---|---|
| **R** | 32/12.1/HCPCS and Diagnosis Coding |
| **R** | 32/12.2/Carrier Billing Requirements |
| **R** | 32/12.3/FI Billing Requirements |

**III. FUNDING:**
SECTION A: For Fiscal Intermediaries and Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Business Requirements**

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

# Attachment –Business Requirements

| Pub. 100-04 | Transmittal: 1433 | Date: February 1, 2008 | Change Request: 5878 |
|---|---|---|---|

**SUBJECT: Smoking and Tobacco Use Cessation Counseling Billing Code Update**

**Effective Date**: January 1, 2008. Note: Effective Date is date of service.

**Implementation Date:** July 7, 2008

## I. GENERAL INFORMATION

**A. Background:** The 2008 Medicare Physician Fee Database (MPFSDB) includes two new CPT codes for Smoking and Tobacco Use Cessation Counseling services to replace the temporary HCPCS codes currently in use for billing of these services. The new codes are effective for services performed on or after January 1, 2008.

**B. Policy:** Providers must bill with the new CPT codes for services performed on or after January 1, 2008. Services billed by providers using the former HCPCS codes are not payable.

## II. BUSINESS REQUIREMENTS TABLE

*Use"Shall" to denote a mandatory requirement*

| Number | Requirement | Responsibility (place an "X" in each applicable column) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | A/B MAC | DME MAC | FI | CARRIER | RHHI | Shared-System Maintainers | | | | OTHER |
| | | | | | | | FISS | MCS | VMS | CWF | |
| 5878.1 | Effective for claims with Smoking and Tobacco-Use Cessation Counseling services on and after January 1, 2008, contractors shall pay claims when billed with CPT codes 99406 and 99407.<br><br>NOTE: These codes replace HCPCS codes G0375 and G0376, of which, are effective only through December 31, 2007. | X | | X | X | X | X | | | | OCE MPFS DB |
| 5878.2 | Medicare systems shall recognize new CPT codes 99406 and 99407 for Smoking and Tobacco-Use Cessation Counseling services on all provider inquiry screens (HIQA, HUQA, HIQH, ELGA, ELGB, and ELGH).<br><br>NOTE: HCPCS codes G0375 and G0376 are being deleted effective January 1, 2008. | | | | | | X | | | X | |
| 5878.3 | Beginning with dates of service on or after July 1, 2008, the CWF shall edit for the frequency of service limitations for Smoking and Tobacco-Use Cessation Counseling services recognizing new CPT codes 99406 and 99407 in place of deleted HCPCS codes G0375 and G0376. | | | | | | | | | X | |

| Number | Requirement | Responsibility (place an "X" in each applicable column) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | A/B MAC | DME MAC | FI | CARRIER | RHHI | Shared-System Maintainers | | | | OTHER |
| | | | | | | | FISS | MCS | VMS | CWF | |
| 5878.4 | Medicare systems shall revise all current edits defining the appropriate revenue codes and types of bill for reporting Smoking and Tobacco-Use Cessation Counseling services to include the new CPT codes 99406 and 99407. | | | | | | X | | | | |

## III. PROVIDER EDUCATION TABLE

| Number | Requirement | Responsibility (place an "X" in each applicable column) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | A/B MAC | DME MAC | FI | CARRIER | RHHI | Shared-System Maintainers | | | | OTHER |
| | | | | | | | FISS | MCS | VMS | CWF | |
| 5878.5 | A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN 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 one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly. | X | | X | X | X | | | | | |

## IV. SUPPORTING INFORMATION

**A. For any recommendations and supporting information associated with listed requirements, use the box below:**

*Use "Should" to denote a recommendation.*

| X-Ref Requirement Number | Recommendations or other supporting information: |
|---|---|
| 5878.1 | Please refer to CR 3834 for information regarding the payment basis for Smoking and Tobacco-Use Cessation Counseling services. |
| 5878.3 | Please refer to CR 3929, Transmittal 605, dated July 15, 2005 for the frequency of limitation instructions. |
| 5878.4 | FISS reason codes that refer to smoking cessation services include 32373, 32374, 32375, 32376 and 32377. |

**B. For all other recommendations and supporting information, use this space:**

## V. CONTACTS

**Pre-Implementation Contact(s):** Thomas Dorsey, 410-786-7434, Thomas.Dorsey@cms.hhs.gov, Yvonne Young, 410-786-1886, Yvonne.Young@cms.hhs.gov, Wil Gehne 410-786-6148, wilfried.gehne@cms.hhs.gov

**Post-Implementation Contact(s):** Appropriate CMS Regional Office

## VI. FUNDING

**A. *For Fiscal Intermediaries and Carriers,* use the following statement:**
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

**B. *For Medicare Administrative Contractors (MAC),* use the following statement:**
The Medicare Administrative Contractor (MAC) is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as changes to the MAC Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified in your contract unless and until specifically authorized by the contracting officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the contracting officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

## 12.1 - HCPCS and Diagnosis Coding

***(Rev. 1433, Issued: 02-01-08, Effective: 01-01-08, Implementation: 07-07-08)***

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

***99406*** *- Smoking and tobacco-use cessation counseling visit; intermediate, greater than 3 minutes up to 10 minutes*

***99407*** *- Smoking and tobacco-use cessation counseling visit; intensive, greater than 10 minutes*

*Note the above codes are payable for dates of service on or after January 1, 2008. Codes G0375 and G0376, below, are not valid or payable for dates of service on or after January 1, 2008.*

**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 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 an appropriate HCPCS code, such as 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.

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. 1433, Issued: 02-01-08, Effective: 01-01-08, Implementation: 07-07-08)***

*Carriers shall pay for counseling services billed with codes 99406 and 99407 for dates of service on or after January 1, 2008. Carriers shall pay for counseling services billed with codes G0375 and G0376 for dates of service performed on and after March 22, 2005 through Dec. 31, 2007.* The type of service (TOS) for each of the new codes is *1.*

Carriers pay for counseling services billed 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.

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. 1433, Issued: 02-01-08, Effective: 01-01-08, Implementation: 07-07-08)***

*FIs shall pay* for Smoking and Tobacco-Use Cessation Counseling services *with codes 99406 and 99407 for dates of service on or after January 1, 2008. FIs shall pay for counseling services billed with codes G0375 and G0376 for dates of service performed on or after March 22, 2005 through December 31, 2007.*

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, 22X, 23X, 34X, 71X, 73X, 74X, 75X, 83X, and 85X. Effective 4/1/06, type of bill 14X is for non-patient laboratory specimens and is no longer applicable for Smoking and Tobacco-Use Cessation Counseling services.

Applicable revenue codes are as follows:

| Provider Type | Revenue Code |
|---|---|
| Rural Health Centers (RHCs)/Federally Qualified Health Centers (FQHCs) | 052X |
| Indian Health Services (IHS) | 0510 |
| Critical Access Hospitals (CAHs) Method II | 096X, 097X, 098X |
| All Other Providers | 0942 |

**NOTE:** 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 for outpatient services 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)<br><br>**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: technical services are paid at 101% of reasonable cost, and 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. |

**NOTE:** Inpatient claims submitted with Smoking and Tobacco-Use Cessation Counseling Services are processed under the current payment methodologies.