CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 1593	**Date: SEPTEMBER 12, 2008**
	Change Request 6163

SUBJECT: Smoking and Tobacco Use Cessation Counseling Billing Update for Comprehensive Outpatient Rehabilitation Facilities (CORFs) and Outpatient Physical Therapy Providers (OPTs)

I. SUMMARY OF CHANGES: This instruction provides an update to Change Request 5878, transmittal 1433, to remove OPT bill type 74x and CORF bill type 75x from the list of applicable bill types for smoking and tobacco cessation counseling.

CLARIFICATION
EFFECTIVE DATE: JULY 1, 2008
IMPLEMENTATION DATE: December 12, 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

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	5/100.1.1/Allowable Revenue Codes on CORF 75X Bill Types
R	5/100.8/ Billing for DME, Prosthetic and Orthotic Devices, and Surgical Dressings
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: 1593	Date: September 12, 2008	Change Request: 6163

SUBJECT: Smoking and Tobacco Use Cessation Counseling Billing Code Update for Comprehensive Outpatient Rehabilitation Facilities (CORFs) and Outpatient Physical Therapy Providers (OPTs)

Effective Date: July 1, 2008
Implementation Date: December 12, 2008

I. GENERAL INFORMATION

A. Background: This instruction provides an update to Change Request 5878, transmittal 1433, to remove OPT bill type 74x and CORF bill type 75x from the list of applicable bill types for smoking and tobacco cessation counseling . Smoking and tobacco use cessation counseling is not billable by OPT or CORF providers.

In addition, this instruction provides an update to Change Request 5898, transmittal 1459, to remove revenue code 029x from being billable on 75x bill types (Durable Medical Equipment) because CORFs do not bill DME.

B. Policy: Only those services listed in the CORF benefit at section 1861(cc) are billable by CORFs. Smoking cessation is not a listed CORF benefit service; and, as such, cannot be paid as a CORF service.

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	
6163.1	Medicare contractors shall make providers aware of the clarifications provided in the updated manual sections attached to this instruction.	X		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	
6163.2	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	X		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	
	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.										

IV. SUPPORTING INFORMATION

Section 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:

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

V. CONTACTS

Pre-Implementation Contact(s): Jason Kerr, Jason.Kerr@cms.hhs.gov
Post-Implementation Contact(s): Appropriate Regional Office; http://www.cms.hhs.gov/RegionalOffices/01_Overview.asp

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Carriers (RHHIs)* use only one of the following statements:

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)*, use the following statement:

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.

100.1.1 – Allowable Revenue Codes on CORF 75X Bill Types

(Rev. 1593, Issued: 09-12-08; Effective Date: 07-01-08; Implementation Date: 12-12-08)

Effective July 1, 2008, the following revenue codes are allowable for reporting CORF services on 75X bill types:

0270	0274	0279	*0410*
0412	*0419*	*042X*	*043X*
044X	*0550*	*0559*	*0560*
0569	*0636*	*0771*	*0900*
0911	*0914*	*0919*	

NOTE: Billed revenue codes not listed in the above list will be returned to the provider by Medicare systems. See Chapter 25, Completing and Processing the CMS-1450 Data Set, for revenue code descriptions.

100.8 - Billing for DME, Prosthetic and Orthotic Devices, and Surgical Dressings

(Rev. 1593, Issued: 09-12-08; Effective Date: 07-01-08; Implementation Date: 12-12-08)

The CORFs bill DME on Form CMS-1500 to the DMERC except for claims for implanted DME, which are billed on Form CMS-1500 to the local carrier. If the CORF does not have a supplier billing number from the National Supplier Clearinghouse (NSC), it may contact the NSC to secure one. If the local carrier has issued the CORF a provider number for billing physician services, the CORF may not use the same number when billing for DME.

12.3 - FI Billing Requirements

(Rev. 1593, Issued: 09-12-08; Effective Date: 07-01-08; Implementation Date: 12-12-08)

The 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, 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) **NOTE:** Included in Part A PPS for skilled patients.	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.