



Social Determinants of Health (SDOH) 2024 Compliance Update

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2 minutes to read

We last wrote about SDOH over a year ago. There are two SDOH Compliance-related topics in this 2024 update: SDOH as part of the Annual Wellness Visit (AWV), and SDOH Z-codes as Complications/Comorbidities (CC), in the context of Diagnosis-Related Groups (DRGs).

SDOH and the AWV

In 2024, CMS updated the Annual Wellness Visit (AWV) for Medicare patients to include an *optional* element of a Social Determinants of Health (SDOH) Risk Assessment. Optional is defined as being at the discretion of the clinician and the patient. CMS established a new billing code to pay for the SDOH Risk Assessment, HCPCS code G0136. G0136 is “Administration of a standardized, evidence-based SDOH risk assessment tool, 5-15 minutes, not more often than every 6 months.”¹ Documentation of any SDOH need must be present in the electronic medical record to bill for G0136.

Prior to January 1, 2024, CMS did not pay for an SDOH risk assessment. The same “eligible health professionals” that may perform an AWV may also conduct the SDOH risk assessment.² Section 1861 (hhh)(2)(I) of the Social Security Act authorizes the addition of additional elements to the AWV as appropriate.³ Additional eligibility and billing requirements are outlined in the CMS education for this topic [located here](#) - search for Transmittal #R12865CP to get the details.

Z-Codes as Complications/Comorbidities (CC)

Each year, CMS evaluates diagnosis codes for updates to complications or comorbidities as part of its annual rulemaking. Effective 10/1/2024 and as part of the FY25 IPPS Final Rule, seven Z-codes that document inadequate housing and housing instability (Z59) are now designated as Complications/Comorbidities (CC) for inpatient stays. This update positively impacts potential revenue when SDOH Z-codes are documented as a secondary diagnosis code. With this update, CMS acknowledges the additional resources needed to care for patients with a “higher severity of illness, complexity of service, and/or consumption of resources.”⁴ This move is part of CMS’s initiative to encourage documentation of SDOH codes so they may study the impact that these social drivers have on patient outcomes. The complete list of the z-codes involved [is available here](#).

¹ Centers for Medicare & Medicaid Services. (2024, January 1). Annual Wellness Visit: Social Determinants of Health Risk Assessment (Publication No. MM13486). U.S. Department of Health and Human Services.

<https://www.cms.gov/files/document/mm13486-annual-wellness-visit-social-determinants-health-risk-assessment.pdf>

² Office of the Federal Register, National Archives and Records Administration. (n.d.). 42 CFR § 410.15(a) - Health professional. Electronic Code of Federal Regulations. [https://www.ecfr.gov/current/title-42/part-410/section-410.15#p-410.15\(a\)\(Health%20professional\)](https://www.ecfr.gov/current/title-42/part-410/section-410.15#p-410.15(a)(Health%20professional))

³ Centers for Medicare & Medicaid Services. (2024, October 4). Change request 13486: Updates to the Medicare claims processing manual. <https://www.cms.gov/files/document/r12865CP.pdf>

⁴ Centers for Medicare & Medicaid Services. (2024, August 1). FY 2025 Hospital Inpatient Prospective Payment System (IPPS) and Long-Term Care Hospital Prospective Payment System (LTCH PPS) final rule. CMS. <https://www.cms.gov/newsroom/fact-sheets/fy-2025-hospital-inpatient-prospective-payment-system-ipps-and-long-term-care-hospital-prospective-0>