

CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 816

Department of Health &
Human Services (DHHS)

Center for Medicare &
Medicaid Services (CMS)

Date: JANUARY 20, 2006

Change Request 4085

SUBJECT: Coverage and Billing for Ultrasound Stimulation for Nonunion Fracture Healing

I. SUMMARY OF CHANGES: The "KF" modifier must be used when billing for the Ultrasonic Osteogenic Stimulation device because it is a FDA Class III device.

NEW/REVISED MATERIAL

EFFECTIVE DATE: April 27, 2005

IMPLEMENTATION DATE: April 3, 2006

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:

R = REVISED, N = NEW, D = DELETED

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	32/110.5/DMERC Billing Instructions

III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

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

Attachment – Business Requirement

Pub. 100-04	Transmittal: 816	Date: January 20, 2006	Change Request 4085
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SUBJECT: Coverage and Billing for Ultrasound Stimulation for Nonunion Fracture Healing

I. GENERAL INFORMATION

A. Background: This CR is a supplement to CR 3836 and gives additional billing instructions for billing ultrasound stimulation for nonunion fracture healing. The italicized text represents the revisions to CR 3836.

The CMS announced a Reconsideration of the National Coverage Determination (NCD) covering the use of ultrasonic osteogenic stimulators, effective April 27, 2005. An ultrasonic osteogenic stimulator is a non-invasive device that emits low intensity, pulsed ultrasound. The device is applied to the surface of the skin at the fracture site and ultrasound waves are emitted via a conductive coupling gel to stimulate fracture healing. The ultrasonic osteogenic stimulators are not to be used concurrently with other non-invasive osteogenic devices.

B. Policy: Effective for services performed on or after April 27, 2005, ultrasonic osteogenic stimulators are covered as medically reasonable and necessary for the treatment of nonunion bone fractures prior to surgery. In demonstrating non-union fractures, CMS expects:

A minimum of 2 sets of radiographs, obtained prior to starting treatment with the osteogenic stimulator, separated by a minimum of 90 days. Each radiograph set must include multiple views of the fracture site accompanied with a written interpretation by a physician stating that there has been no clinically significant evidence of fracture healing between the 2 sets of radiographs.

Nonunion fractures of the skull, vertebrae, and tumor-related fractures are excluded from coverage. Additionally, ultrasonic osteogenic stimulators for fresh fractures and delayed unions remains non-covered. See http://www.cms.hhs.gov/mcd/viewncd.asp?ncd_id=150.2&ncd_version=2&basket=ncd%3A150%2E2%3A2%3AOsteogenic+Stimulators for the full text of the NCD.

II. BUSINESS REQUIREMENTS

“Shall” denotes a mandatory requirement

“Should” denotes an optional requirement

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F	R	C	D	Shared System Maintainers				Other
		I	H	a	M	F	M	V	C	
			H	r	E	I	C	M	W	
			I	r	R	S	S	S	F	
				i	C					
				e						
				r						

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		
4085.1	Effective for dates of service on or after April 27, 2005, carriers (<i>RHHIs & FISS were deleted</i>) shall allow payment for ultrasonic osteogenic stimulation with the following CPT Code: <ul style="list-style-type: none"> • 20979 Low intensity ultrasound stimulation to aid bone healing, noninvasive (non-operative) 			X					
4085.2	Effective for dates of service on or after April 27, 2005, DMERCs <i>and RHHIs</i> shall allow payment for ultrasonic osteogenic stimulators with the following HCPCS Codes: <ul style="list-style-type: none"> • HCPCS codes: E0760 for low intensity ultrasound (<i>include modifier “KF”</i>), or E1399 for other ultrasound stimulator (<i>include modifier “KF”</i>). 		X		X				
4085.3	As in other cases, if data analysis indicates potentially aberrant billing, contractors shall utilize these standards when performing medical review of claims.		X	X	X				
4085.4	RHHIs shall pay for ultrasonic osteogenic stimulators only when services are submitted on type of bills (TOBs) 32X, 33X, or 34X.		X			X			
4085.5	RHHIs shall instruct HHAs that ultrasonic osteogenic stimulators must be in the patient’s home health plan of care if billed on TOBs 32X or 33X.		X						
4085.6	FIs (<i>RHHIs was deleted</i>) must instruct hospitals that there are no covered services for ultrasonic osteogenic stimulation for which hospitals can be paid by the FI.	X							
4085.7	RHHIs shall pay HHAs on TOBs 32X, 33X and 34X for ultrasonic osteogenic stimulators on the DMEPOS fee schedule.		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		
4085.8	Contractors shall adjust claims with dates of service on and after April 27, 2005, (<i>through July 30, 2005, was deleted</i>) if brought to their attention.	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			
F I S S	M C S					V M S	C W F		
4085.9	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 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.	X	X	X	X				

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions
<i>Old 3836.7</i>	<i>Deleted in entirety.</i>

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

Effective Date*: April 27, 2005 Implementation Date: April 3, 2006 Pre-Implementation Contact(s): Susan Harrison Susan.Harrison@cms.hhs.gov, 410-786-1806 (coverage), Yvette Cousar Yvette.Cousar@cms.hhs.gov , 410-786-2160 (carrier claims), Taneka Rivera Taneka.Rivera@cms.hhs.gov , 410-786-9502 (FI claims), Tracey Hemphill, Tracey.Hemphill@cms.hhs.gov , 410-786-7169 (DMERC claims) Post-Implementation Contact(s): Appropriate RO	Medicare contractors shall implement these instructions within their current 2006 operating budgets
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110.5 - DMERC Billing Instructions

(Rev.816, Issued: 01-20-06, Effective: 04-27-05, Implementation: 04-03-06)

Effective for dates of service on or after April 27, 2005, DMERCs shall allow payment for ultrasonic osteogenic stimulators with the following HCPCS codes:

- E0760 for low intensity ultrasound (*include modifier "KF"*), or;
- E1399 for other ultrasound stimulation (*include modifier "KF"*)