
Program Memorandum Intermediaries/Carriers

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

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CHANGE REQUEST 2388

SUBJECT: Coverage of Hyperbaric Oxygen (HBO) Therapy for the Treatment of Diabetic Wounds of the Lower Extremities

This Program Memorandum (PM) summarizes the revision to §35-10 of the Coverage Issues Manual (CIM) regarding Hyperbaric Oxygen (HBO) Therapy. Please refer to this section of the CIM for complete information regarding this policy.

Conditions of Coverage

Hyperbaric oxygen therapy is a modality in which the entire body is exposed to oxygen under increased atmospheric pressure. Effective April 1, 2003, a National Coverage Decision expanded the use of Hyperbaric Oxygen (HBO) therapy to include coverage for the treatment of diabetic wounds of the lower extremities in patients who meet the following criteria:

- (1) Patient has type I or type II diabetes and has a lower extremity wound that is due to diabetes; (ICD-9-CM diagnosis 250.7, 250.8, 707, 707.1, 707.10, 707.12, 707.13, 707.14, and 707.19).
- (2) Patient has a wound classified as Wagner grade III or higher; and
- (3) Patient has failed an adequate course of standard wound therapy.

The use of HBO therapy will be covered as adjunctive therapy only after there are no measurable signs of healing for at least 30 days of treatment with standard wound therapy and must be used in addition to standard wound care. Standard wound care in patients with diabetic wounds includes: assessment of a patient's vascular status and correction of any vascular problems in the affected limb if possible, optimization of nutritional status, optimization of glucose control, debridement by any means to remove devitalized tissue, maintenance of clean, moist bed of granulation tissue with appropriate moist dressings, appropriate off-loading, and necessary treatment to resolve any infection that might be present. Failure to respond to standard wound care occurs when there are no measurable signs of healing for at least 30 consecutive days. Wounds must be evaluated at least every 30 days during administration of HBO therapy. Continued treatment with HBO treatment is not covered if measurable signs of healing have not been demonstrated within any 30-day period of treatment.

This PM also clarifies that CMS has concluded that special supervision and credentialing requirements should not be imposed on physicians who perform HBO therapy. You may not impose a higher level of supervision than direct supervision as is required for all "incident to" therapies. CMS encourages physicians who perform HBO therapy to obtain adequate training in the use of HBO therapy and in advanced cardiac life support.

NOTE: Topical application of oxygen does not meet the definition of HBO therapy as stated above. Also, its clinical efficacy had not been established. Therefore, no Medicare reimbursement may be made for the topical application of oxygen.

Billing Requirements for Intermediaries

Follow the general bill review instructions in §3604 of the Medicare Intermediary Manual, Part 3. Claims for HBO therapy should be submitted on Form HCFA-1450 or its electronic equivalent.

Applicable Bill Types

The applicable bill types are 11X, 13X and 85X.

HCPCS Coding

- 99183 – Physician attendance and supervision of hyperbaric oxygen therapy, per session.
- C1300 – Hyperbaric oxygen under pressure, full body chamber, per 30 minute interval.

NOTE: Code C1300 is not available for use other than in a hospital outpatient department. In skilled nursing facilities (SNFs), HBO therapy is part of the SNF PPS payment for beneficiaries in covered Part A stays.

For hospital inpatients and critical access hospitals (CAHs) not electing Method I, HBO therapy is reported under revenue code 940 without any HCPCS code. For inpatient services, show ICD-9-CM procedure code 93.59 in FL 80 and 81.

For CAHs electing Method I, HBO therapy is reported under revenue code 940 along with HCPCS code 99183.

Payment Requirements for Intermediaries

Payment is as follows:

Intermediary payment is allowed for HBO therapy for diabetic wounds of the lower extremities when performed as a physician service in a hospital outpatient setting and for inpatients. Payment is allowed for claims with valid diagnostic ICD-9 codes as shown above with dates of service on or after April 1, 2003. Those claims with invalid codes should be denied as not medically necessary.

For hospitals, payment will be based upon the Ambulatory Payment Classification (APC) or the inpatient Diagnosis Related Group (DRG). Deductible and coinsurance apply.

Carrier Billing Requirements

The following HCPCS Code applies:

- 99183 - Physician attendance and supervision of hyperbaric oxygen therapy, per session

Claims Requirements

Follow the general instruction for preparing claims in §2010, Purpose of Health Insurance Claim Form CMS-1500, Medicare Carriers Manual (MCM) Part 4, Chapter 2. Claims for this service should be submitted on health insurance claim Form CMS-1500 or electronic equivalent. Claims should be processed in accordance with §4020, Review of Health Insurance Claim Form CMS-1500, of Part 3, Chapter IV of the Medicare Carriers Manual.

Payment Requirements

Payment and pricing information will be on the April update of the Medicare Physician Fee Schedule Database (MPFSDB). Pay for this service on the basis of the MPFSDB. Deductible and coinsurance apply. Claims from physicians or other practitioners where assignment was not taken are subject to the Medicare limiting charge (refer to MCM Part 3, chapter VII, §7555 for more information).

Medicare Summary Notices (MSNs)

Use the following MSN Messages where appropriate:

In situations, where the claim is being denied on the basis that the condition does not meet our coverage requirements, use one of the following MSN Messages:

“Medicare does not pay for this item or service for this condition.” (MSN Message16.48)

The Spanish version of the MSN message should read:

“Medicare no paga por este articulo o servicio para esta afeccion.”

OR “This service is not covered prior to April 1, 2003.” (MSN Message 16.51)

The Spanish version of the MSN message should read:

“ Esta servicio no se cubre antes del 1 de abril de 2003.”

In situations where, upon medical review of the claim based upon the above utilization policy, you determine that the service is not medically necessary, use the following MSN message, 15.4.

“The information provided does not support the need for this service or item.”

The Spanish version of the MSN message should read:

“ La informacion proporcionada no confirma la necesidad para este servicio o articulo.”

Remittance Advice Notices – Use appropriate existing remittance advice and reason codes at the line level to express the specific reason if you deny payment for HBO therapy for the treatment of diabetic wounds of lower extremities. If denying services as furnished before April 1, 2003, use existing ANSI X 12-835 claim adjustment reason code 26 “Expenses incurred prior to coverage” at the line level.

Provider Education – You must notify providers of this information through your next scheduled bulletin and on your website within two weeks.

The *effective date* for this PM is April 1, 2003.

The *implementation date* for this PM is April 1, 2003.

These instructions should be implemented within your current operating budget.

This PM may be discarded after April 1, 2004.

If you have any questions, contact the appropriate regional office.