Program Memorandum Intermediaries/Carriers

Department of Health and Human Services (DHHS)
HEALTH CARE FINANCING ADMINISTRATION (HCFA)

Transmittal AB-01-17 **Date: JANUARY 26, 2001**

This Program Memorandum (PM) re-issues PM AB-99-59, Change Request 903 dated August 1999. The only changes are the discard date and the contact person; all other material remains the same. This policy was originally issued and has been continuously in effect since August 1999.

CHANGE REQUEST 903

EFFECTIVE DATE: For claims with dates of service on or after August 1, 1999

SUBJECT: Medicare Coverage of Epoetin Alfa (Procrit) for Preoperative Use

This PM pertains exclusively to the preoperative surgical indication of the drug Procrit, in which it is administered to specific patients prior to surgery to reduce their risk of transfusion. This PM does not affect Medicare policies related to other Food and Drug Administration (FDA) approved uses of Procrit. This is not a national coverage decision.

Procrit as Preventive Service

In December of 1998 a letter was disseminated to the carriers concerning the development of local medical review policies related to the preoperative use of Procrit. The letter clarified that carriers had discretion in developing coverage policies concerning this use of Procrit, and it also asked that in developing such policies due consideration be given to the study population that the manufacturer used as a basis for FDA approval for the preoperative indication. Since the dissemination of this letter, it has been reported to us that a number of carriers are currently considering, or already have, implemented noncoverage policies for the preoperative use of Procrit, based upon the premise that this use of Procrit is a preventive service. We have identified a target population for whom this use represents the treatment of an illness. This target population consists of those individuals who: (1) are undergoing hip or knee surgery; (2) have an anemia with a hemoglobin between 10 and 13 mg/dL; (3) are not a candidate for autologous blood transfusion; (4) are expected to lose more than 2 units of blood; and (5) have had a workup so that their anemia appears to be that of chronic disease. The preoperative use of Procrit may be afforded to these individuals when carriers, exercising their discretion, determine that this treatment is reasonable and necessary.

The *effective date* for this PM is August 1, 1999.

The i*mplementation date* for this PM is August 1, 1999.

These instructions should be implemented within your current operating budget.

This PM may be discarded after January 1, 2002.

If you have any questions, contact Erica Bisguier-Reed at (410) 786-0163.