

---

# Program Memorandum

## Intermediaries/Carriers

---

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

Transmittal AB-00-15

Date: MARCH 2000

---

CHANGE REQUEST 1138

**SUBJECT: Delay of Hyperbaric Oxygen Therapy Coverage Policy**

Program Memorandum AB-99-50 stated that final instructions for hyperbaric oxygen (HBO) therapy would be issued on January 1, 2000. Those instructions were not released. We are further delaying implementation of the revised HBO policy included in Transmittal Number 112 of the Coverage Issues Manual (CIM). This delay will allow the coverage and analysis staff in the Office of Clinical Standards and Quality to thoroughly review the medical evidence regarding HBO and wound healing and to issue a national coverage decision.

To eliminate confusion, we have repeated the correct HBO therapy policy that will remain in effect below.

**NOTE:** We want to clarify that the covered indication in the CIM §35-10A.9, "preparation and preservation of compromised skin grafts" requires that there be a compromised skin graft. This indication is not for primary management of wounds. Another point of clarification is that the only Medicare-covered indications for hyperbaric oxygen therapy are those listed in CIM §35-10A.

Section 35-10 of the Coverage Issues Manual

For purposes of coverage under Medicare, HBO therapy is a modality in which the entire body is exposed to oxygen under increased atmospheric pressure.

A. Covered Conditions.--Program reimbursement for HBO therapy will be limited to that which is administered in a chamber (including the one man unit) and is limited to the following conditions:

1. Acute carbon monoxide intoxication.
2. Decompression illness.
3. Gas embolism.
4. Gas gangrene.
5. Acute traumatic peripheral ischemia. HBO therapy is a valuable adjunctive treatment to be used in combination with accepted standard therapeutic measures when loss of function, limb, or life is threatened.
6. Crush injuries and suturing of severed limbs. As in the previous conditions, HBO therapy would be an adjunctive treatment when loss of function, limb, or life is threatened.
7. Progressive necrotizing infections (necrotizing fasciitis, meleney ulcer).
8. Acute peripheral arterial insufficiency.
9. Preparation and preservation of compromised skin grafts.
10. Chronic refractory osteomyelitis, unresponsive to conventional medical and surgical management.
11. Osteoradionecrosis as an adjunct to conventional treatment.
12. Soft tissue radionecrosis as an adjunct to conventional treatment.
13. Cyanide poisoning.
14. Actinomycosis, only as an adjunct to conventional therapy when the disease process is refractory to antibiotics and surgical treatment.



B. Noncovered Conditions.--No program payment may be made for HBO in the treatment of the following conditions:

1. Cutaneous, decubitus, and stasis ulcers.
2. Chronic peripheral vascular insufficiency.
3. Anaerobic septicemia and infection other than clostridial.
4. Skin burns (thermal).
5. Senility.
6. Myocardial infarction.
7. Cardiogenic shock.
8. Sickle cell anemia.
9. Acute thermal and chemical pulmonary damage, i.e., smoke inhalation with pulmonary insufficiency.
10. Acute or chronic cerebral vascular insufficiency.
11. Hepatic necrosis.
12. Aerobic septicemia.
13. Nonvascular causes of chronic brain syndrome (Pick's disease, Alzheimer's disease, Korsakoff's disease).
14. Tetanus.
15. Systemic aerobic infection.
16. Organ transplantation.
17. Organ storage.
18. Pulmonary emphysema.
19. Exceptional blood loss anemia.
20. Multiple Sclerosis.
21. Arthritic Diseases.
22. Acute cerebral edema.

C. Reasonable Utilization Parameters.--Make payment where HBO therapy is clinically practical. HBO therapy should not be a replacement for other standard successful therapeutic measures. Depending on the response of the individual patient and the severity of the original problem, treatment may range from less than 1 week to several months duration, the average being 2 to 4 weeks. Review and document the medical necessity for use of hyperbaric oxygen for more than 2 months, regardless of the condition of the patient, before further reimbursement is made.

D. Topical Application of Oxygen.--This method of administering oxygen does not meet the definition of HBO therapy as stated above. Also, its clinical efficacy has not been established. Therefore, no Medicare reimbursement may be made for the topical application of oxygen. (Cross refer: CIM §35-31.)

**The effective date for this Program Memorandum (PM) is April 1, 2000.**

**The implementation date for this PM is April 1, 2000.**

**These instructions should be implemented within your current operating budget.**

**This PM may be discarded after April 1, 2001.**

**Contractors should direct any questions to the appropriate regional office staff. Regional office staff may direct questions to Joan Proctor-Young (carrier operations) on 410-786-0949 and Barbara Strickland (intermediary operations) on 410-786-0508. Contact Kate Tillman on 410-786-9252 with coverage policy questions.**