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# Program Memorandum

## Intermediaries/Carriers

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

Transmittal AB-00-05

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### CHANGE REQUEST 1085

**SUBJECT: Operating Instructions for Expanded Coverage of the Electrical Osteogenic Stimulator for Fracture Healing. Effective for Services Performed on or After 4/1/2000.**

This Program Memorandum (PM) is to notify you of expanded coverage of the electrical osteogenic stimulator for fracture healing.

Coverage Issues Manual §35-48 is being revised to define nonunion of long bone fractures as existing when fracture healing has ceased for 3 or more months as confirmed by serial radiographs.

**NOTE:** Previously, nonunion of long bone fractures was considered to exist only after 6 or more months had elapsed without healing. No other changes to this policy are being made.

This revision to the coverage manual is a national coverage decision made under §1862(a)(1) of the Social Security Act (the Act). National coverage determinations are binding on all Medicare carriers, intermediaries, Peer Review Organizations, Health Maintenance Organizations, Competitive Medical Plans, Health Care Prepayment Plans, and Medicare+Choice Organizations (§1852 (a)(1)(A)). In addition, an administrative law judge may not disregard, set aside, or otherwise review a national coverage decision (42 CFR §405.860) issued under §1862(a)(1) of the Act.

#### DMERC Operating Instructions

The HCPCS code used for this device is E0747 (osteogenesis stimulator, electrical, non-invasive, other than spinal applications); the ICD-9 code is 733.82. The CMN for osteogenesis stimulators will continue to be used by DMERCs. This code will remain in the inexpensive and routinely purchased category and in CWF categories 60 and 59.

No standard systems or CWF changes are needed. However, DMERCs need to change their payment grid to 3 months (from 6 months).

The DME fee schedule amount will remain unchanged.

#### RHHI Operating Instructions

The HCPCS code used for non-invasive osteogenesis stimulation is E0747. This code will remain in the inexpensive and routinely purchased category. No standard systems or CWF changes are needed. The DME fee schedule amount remains unchanged.

#### Local Carrier Instructions

This policy also applies to E0749 (osteogenesis stimulator, electrical, surgically implanted). However, we do not expect that you will see these implants separately billed.

**Contractors should contact the appropriate regional office with any questions on this operational PM.**

**The effective date for this 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.**