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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-00-24

Date: APRIL 2000

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### CHANGE REQUEST 1083

**SUBJECT: Development and Dissemination of a Product Classification List for HCPCS Code L0430**

This Program Memorandum (PM) instructs the Statistical Analysis Durable Medical Equipment Regional Carrier (SADMERC) to develop and publish a product classification list for the HCPCS code L0430, described as Thoracic-Lumbar-Sacral Orthosis, anterior-posterior-lateral control, with interface material, custom fitted.

The Office of the Inspector General (OIG) released a report on October 1, 1999 entitled, "Medicare Payments for Orthotic Body Jackets." This report was the culmination of an investigation by the OIG to determine whether or not Medicare inappropriately pays for orthotic body jackets under code L0430. One of the findings revealed that the industry offers many different types of spinal orthotic products, which may be reimbursed by Medicare under 64 different base codes. Therefore, one of the resultant recommendations by the OIG was to develop and publish a product classification list for HCPCS code L0430.

**The *effective date* for this PM is June 1, 2000.**

**The *implementation date* of this PM is June 1, 2000.**

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

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

**If you have any questions, contact Lynn Riley at 410-786-1286**