Bulletin

Michigan Department of Health and Human Services

Bulletin Number: MSA 15-40
Distribution: Physicians, Durable Medical Equipment Providers, Medicaid Health Plans
Issued: October 1, 2015
Subject: Changes to Osteogenesis Stimulator Coverage Policy
Effective: November 1, 2015
Programs Affected: Medicaid, Healthy Michigan Plan, Children's Special Health Care Services

This policy applies to Medicaid Fee-for-Service (FFS). For beneficiaries enrolled in a Medicaid Health Plan (MHP), the provider must check with the beneficiary's MHP for coverage, clinical evaluation and Prior Authorization (PA) requirements.

The purpose of this bulletin is to notify physicians and durable medical equipment providers of changes the Michigan Department of Health and Human Services (MDHHS) has made to the osteogenesis stimulator/bone growth stimulator policy.

New Coverage and Definition

The following Healthcare Common Procedure Coding System (HCPCS) code is added to policy:

E0760 – Osteogenesis stimulator, low-intensity ultrasound, non-invasive

This code may not be used concurrently with other non-invasive stimulator applications (i.e., E0747 or E0748).

Non-invasive osteogenesis stimulators, electrical or ultrasonic are classified by the Food and Drug Administration (FDA) as Level III devices and are subject to the highest regulatory measures of the FDA.

Standards of Coverage

- Coverage of fresh fractures is limited to the tibia, radius, scaphoid or 5th metatarsal.

<table>
<thead>
<tr>
<th>Description</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Long bone fractures:</td>
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<tr>
<td>Clavicle</td>
<td>Other fractures:</td>
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<tr>
<td>Humerus</td>
<td>Ankle</td>
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<tr>
<td>Radius and ulna</td>
<td>Closed navicular (scaphoid) of wrist</td>
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<tr>
<td>Femur</td>
<td>Malunion of fracture</td>
</tr>
<tr>
<td>Fracture of other and unspecified parts of femur</td>
<td>Nonunion of fracture</td>
</tr>
<tr>
<td>Tibia and fibula</td>
<td>Acquired spondylolisthesis</td>
</tr>
<tr>
<td>Metacarpal bones (hands)</td>
<td>Congenital spondylolisthesis</td>
</tr>
<tr>
<td>One or more tarsal &amp; metatarsal bones</td>
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</table>

The most recently used International Classification of Diseases diagnosis code(s) related to the type and location of the fracture must be reported by the physician on the prescription/order and in the medical documentation.
Providers are reminded that ICD-10 codes must be reported by the physician for prescriptions/orders, medical documentation, prior authorization requests and claims on and after October 1, 2015 (refer to bulletin MSA 15-23). Questions regarding implementation of ICD-10 may be directed to: MDCH-ICD-10@michigan.gov.

Non-Covered Conditions

Medicaid does not cover the use of a bone growth stimulator for experimental/investigational treatment, including, but not limited to the following examples:

- Fresh fractures (other than when using ultrasound bone stimulation for the tibia, radius, scaphoid or 5th metatarsal)
- Toe fractures
- Sesamoid fractures
- Avulsion fractures
- Osteochondral lesions
- Stress fractures
- Displaced fractures with malalignment
- Synovial pseudoarthrosis
- Fracture related to malignancy
- Bone gaps either > 1cm or >one-half the diameter of the bone
- Primary surgeries with current internal fixation techniques (i.e., pedical screw fixation and variants)
- Lack of skeletal maturity (refer to congenital pseudoarthrosis)

Prior Authorization

Prior authorization is required for all osteogenesis/bone growth stimulating devices and reviewed on a case-by-case basis.

Change to Payment rules

Osteogenesis stimulators are no longer purchase items. Rental of osteogenesis stimulators may be provided for up to three months and are inclusive of the following:

- All accessories needed to use the unit (e.g., electrodes, wires, cables, coupling gel, etc.).
- Education on the proper use and care of the equipment.
- Routine servicing and all necessary repairs or replacement to make the unit functional based on manufacturer warranty.

For consideration of rental beyond the initial three months, a new prior authorization request must be submitted with physician documentation indicating medical reason(s) for continued need.

Rental Fees:

<table>
<thead>
<tr>
<th>HCPCS</th>
<th>Modifier</th>
<th>Short Description</th>
<th>Max Fee</th>
<th>Limits</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>E0747</td>
<td>RR</td>
<td>Electric osteogenesis stimulator, non-spinal</td>
<td>$246.23</td>
<td>Up to 3 months rental</td>
<td>Required</td>
</tr>
<tr>
<td>E0748</td>
<td>RR</td>
<td>Electric osteogenesis stimulator, spinal</td>
<td>$261.40</td>
<td>Up to 3 months rental</td>
<td>Required</td>
</tr>
<tr>
<td>E0760</td>
<td>RR</td>
<td>Osteogenesis stimulator, low intensity ultrasound, non-invasive</td>
<td>$264.12</td>
<td>Up to 3 months rental</td>
<td>Required</td>
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</table>
Manual Maintenance

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

Kathy Stiffler, Acting Director
Medical Services Administration