



Re: Important Reimbursement Updates from Ultraflex

Background:

Prior to January 1, 2009, there were two applicable HCPCS codes (L2860 and L3890) for use by private payers and Medicaid describing Ultraflex concentric adjustable torsion style mechanisms. These codes were eliminated by the Centers for Medicare and Medicaid Services (CMS) effective January 1, 2009.

Accordingly, Ultraflex immediately applied for two new HCPCS code additions to describe Ultraflex concentric adjustable torsion style mechanisms. We provided detailed information and clinical evidence to support the new codes requested. Our application was also supported by leading pediatric and rehab physicians, consumer coalitions, the AAPM&R and the O&P Alliance (AAOP, ABC, NAAOP, AOPA).

Based on these collective efforts, **two new HCPCS codes (L2861 and L3891) were added January 1, 2010 to the uniform code set** (the uniform code set is a HIPAA requirement to assure uniform codes for all payers). **These new codes specifically describe concentric adjustable torsion style mechanisms used in custom orthoses.**

How does this impact your patient care?

For private payers, SCHIPS and Medicaid, this restores the prior status quo for coding Ultraflex custom orthoses that include concentric adjustable torsion style mechanisms.

This is particularly good news for those of you who primarily serve pediatric populations and younger adults with chronic neuro-rehabilitation needs where Ultraflex concentric adjustable torsion style mechanisms are routinely used.

What about patients covered by Medicare?

Currently these new codes are not billable to the Medicare program, but Ultraflex is again working closely with leading rehab physicians, the O&P Alliance and other groups to make these codes billable for Medicare patients as well. We will keep you informed as this unfolds. If you would like to help by sending letters of support to your Medicare DME MAC Medical Director, to CMS or your Congressional representative, call to find out how we can assist your efforts.

Can I begin using L2861 and L3891 now?

Yes, the new codes can be used for dates of service of January 1, 2010 and later.

How will the new codes be priced?

State Medicaid, SCHIPS, and private insurance will be requesting manufacture MSRP information from you to support billing L2861 and L3891. Upon request we will provide you with a retail invoice listing the relevant MSRP for all concentric adjustable torsion style mechanisms or "power units" manufactured and sold by Ultraflex (Customer Service @ 800-220-6670). Please provide this MSRP retail invoice with each claim submitted for custom orthoses that include one or more concentric adjustable torsion style mechanisms.

Thank you for your attention to this important information and we wish you great success in serving your patients in 2010 and beyond.

Sincerely,

Mark D. DeHarde
President