



MEDICARE

Part A Intermediary
Part B Carrier
DME Regional Carrier

January 6, 2004

James W. Liken
President & CEO
Resperonics, Inc
1010 Murry Ridge Lane
Murrysville, PA 15668

Bullingsley

Re: MisterNeb Compressor Nebulizer System (Model HS123)

Dear Mr. Liken:

The SADMERC and the four Durable Medical Equipment Regional Carriers (DMERCs) have completed the HCPCS Coding Verification Review on January 5, 2004 for the above listed product(s) manufactured by your company. This review resulted in a consensus coding decision.

It is our determination that the MisterNeb Compressor Nebulizer System (Model HS123) meets the description for a nebulizer with compressor as defined in the DMERC Medical Policy for Nebulizers. Therefore, the correct Medicare billing code(s) for the product(s) is/are

E0570 Nebulizer, with compressor

This HCPCS coding decision applies to the submitted product(s) as presented to and reviewed by the SADMERC and four DMERCs. Any modifications to this product could change the HCPCS code and would need to be reviewed for coding verification. The assignment of a HCPCS code to this product should in no way be construed as an approval or endorsement of this product by SADMERC or Medicare, nor does it imply or guarantee claim reimbursement or coverage. For questions regarding claim coverage or reimbursement please contact your regional DMERC.

Should you disagree with this coding decision, a re-review of the product(s) can be initiated. The SADMERC will provide a re-review if the request is made within 45 days of the date of this letter and additional documentation is provided supporting the request. If a request for a re-review is made after 45 days, the request is treated as a new Coding Verification Review and a complete application must be submitted along with the additional documentation supporting the request.

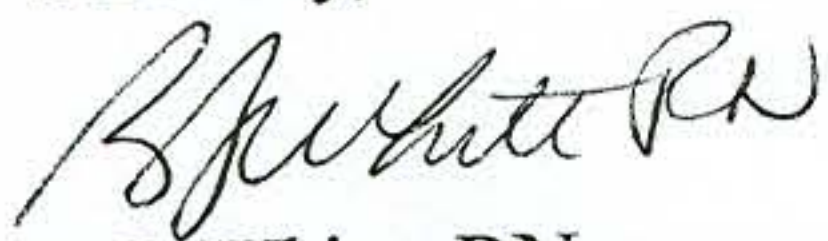
Palmetto GBA

Statistical Analysis Durable Medical Equipment Regional Carrier
Post Office Box 100143 • Columbia, South Carolina • 29202-3143

A CMS Contracted Intermediary and Carrier

If you have any questions regarding this coding decision, please contact me at the address below or by telephone at (803) 763-8225.

Sincerely,



B.J. White, RN
HCPCS Medical Analyst
SADMERC

cc: DMERCs