



MEDICARE

Part A Intermediary
Part B Carrier
DME Regional Carrier

December 30, 2005

Philip Hitch
Product Development Supervisor/Medical Division
Varilite (A Division of Cascade Designs, Inc.)
4000 1st Avenue South
Seattle, WA 98134

Re: Meridian (Models 720002, 723002)

Dear Mr. Hitch:

This letter is in response to your recent inquiry for coding verification of the above listed product(s) manufactured by your company. The Statistical Analysis Durable Medical Equipment Regional Carrier (SADMERC) has reviewed the documentation and information submitted for HCPCS Coding. The SADMERC conducts reviews of products to determine the correct HCPCS code(s) of DMEPOS product(s) for Medicare billing.

It is our determination that the Medicare HCPCS code(s) to bill the four Durable Medical Equipment Regional Carriers (DMERCs) is/are:

K0108 Other accessories.

The product meets the criteria for skin protection and positioning.

HCPCS code K0108 is a miscellaneous code and requires a complete description of the product when billing to Medicare. The description should include the manufacturer name, product name and the reason this item was prescribed for the patient.

This HCPCS coding decision applies to the submitted product(s) as presented to and reviewed by the SADMERC. Any modifications to the product(s) could change the HCPCS code and would need to be reviewed for coding verification. The assignment of a HCPCS code to the product(s) should in no way be construed as an approval or endorsement of the product(s) 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.

Palmetto GBA

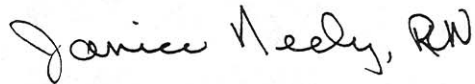
Statistical Analysis Durable Medical Equipment Regional Carrier
Post Office Box 100143 • Columbia, South Carolina • 29202-3143

A CMS Contracted Intermediary and Carrier

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.

Should you have any questions regarding this decision, please contact me at the address below or by telephone at (803) 763-7373.

Sincerely,

A handwritten signature in cursive script that reads "Janice Neely, RN".

Janice Neely, RN
HCPCS Medical Analyst
SADMERC