



MEDICARE

Part A Intermediary
Part B Carrier

November 1, 2007

Steve D. Neese, President & CEO
ActiveCare Medical Inc.
2 Harbison Way
Columbia, SC 29212

Re: Spitfire EX 1420

Dear Mr. Neese:

This letter is in response to your recent inquiry for coding verification of the above listed product(s) manufactured and/or distributed 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:

K0800 Power operated vehicle, group 1 standard, patient weight capacity up to and including 300 pounds.

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.

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.

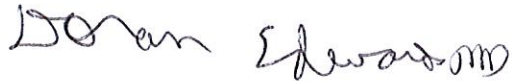
Palmetto GBA

Statistical Analysis Durable Medical Equipment Regional Carrier
Post Office Box 100143 • Columbia, South Carolina • 29202-3190

A CMS Contracted Intermediary and Carrier

Should you have any questions regarding this decision, please contact me at the address below or by telephone at (803) 763-4519.

Sincerely,

A handwritten signature in black ink that reads "Doran Edwards MD". The signature is written in a cursive style with a large initial "D" and a distinct "MD" at the end.

Doran Edwards, MD
SADMERC Medical Director