EFFECTIVE DATE: 01|01|2026
POLICY LAST REVIEWED: 09|17|2025

OVERVIEW
Mesenchymal stem cells (MSCs) have the capability to differentiate into a variety of tissue types, including various musculoskeletal tissues. Potential uses of MSCs for orthopedic applications include treatment of damaged bone, cartilage, ligaments, tendons, and intervertebral discs.

MEDICAL CRITERIA
Not applicable

PRIOR AUTHORIZATION
Not applicable

POLICY STATEMENT
Medicare Advantage Plans
Mesenchymal stem cell therapy for all orthopedic applications, including use in repair or regeneration of musculoskeletal tissue is not covered as the evidence is insufficient to determine that the technology results in an improvement in the net health outcome.

Allograft bone products containing viable stem cells, including but not limited to demineralized bone matrix with stem cells for all orthopedic applications is not covered as the evidence is insufficient to determine that the technology results in an improvement in the net health outcome.

Allograft or synthetic bone graft substitutes that must be combined with autologous blood or bone marrow for all orthopedic applications is not covered as the evidence is insufficient to determine that the technology results in an improvement in the net health outcome.

Commercial Products
Mesenchymal stem cell therapy for all orthopedic applications, including use in repair or regeneration of musculoskeletal tissue is not medically necessary as the evidence is insufficient to determine that the technology results in an improvement in the net health outcome.

Allograft bone products containing viable stem cells, including but not limited to demineralized bone matrix with stem cells for all orthopedic applications is not medically necessary as the evidence is insufficient to determine that the technology results in an improvement in the net health outcome.

Allograft or synthetic bone graft substitutes that must be combined with autologous blood or bone marrow for all orthopedic applications is not medically necessary as the evidence is insufficient to determine that the technology results in an improvement in the net health outcome.

COVERAGE
Benefits may vary between groups/contracts. Please refer to the appropriate Benefit Booklet, Evidence of Coverage or Subscriber Agreement for limitations of benefits/coverage when services are not covered/not medically necessary.

BACKGROUND
Mesenchymal Stem Cells

Mesenchymal stem cells (MSCs) are multipotent cells (also called multipotent stromal cells) that can differentiate into various tissues including organs, trabecular bone, tendon, articular cartilage, ligaments, muscle, and fat. MSCs are associated with the blood vessels within the bone marrow, synovium, fat, and muscle, where they can be mobilized for endogenous repair as occurs with the healing of bone fractures. Tissues such as cartilage, tendon, ligaments, and vertebral discs show limited capacity for endogenous repair because of the limited presence of the triad of functional tissue components: vasculature, nerves, and lymphatics. Orthobiologics is a term introduced to describe interventions using cells and biomaterials to support healing and repair. Cell therapy is the application of MSCs directly to a musculoskeletal site. Tissue engineering techniques use MSCs and/or bioactive molecules such as growth factors and scaffold combinations to improve the efficiency of repair or regeneration of damaged musculoskeletal tissues.

Bone marrow aspirate is considered the most accessible source and, thus, the most common place to isolate MSCs for the treatment of musculoskeletal disease. However, harvesting MSCs from bone marrow requires a procedure that may result in donor-site morbidity. Also, the number of MSCs in bone marrow is low, and the number and differentiation capacity of bone marrow-derived MSCs decreases with age, limiting their efficiency when isolated from older patients.

In vivo, the fate of stem cells is regulated by signals in the local 3-dimensional microenvironment from the extracellular matrix and neighboring cells. It is believed the success of tissue engineering with MSCs will also require an appropriate 3-dimensional scaffold or matrix, culture conditions for tissue-specific induction, and implantation techniques that provide appropriate biomechanical forces and mechanical stimulation. The ability to induce cell division and differentiation without adverse effects, such as the formation of neoplasms, remains a significant concern. Given that each tissue type requires different culture conditions, induction factors (signaling proteins, cytokines, growth factors), and implantation techniques, each preparation must be individually examined.

Cartilage Defects

The evidence on MSCs for cartilage repair is increasing, although nearly all studies to date have been performed outside of the United States with a variety of methods of MSC preparation. Overall, the quality of evidence is low for most studies and there is a possibility of publication bias. The strongest evidence base is on autologous MSCs expanded from bone marrow, which includes several phase 1/2 RCTs and 1 phase 3 RCT. The phase 3 RCT of autologous bone marrow-derived MSCs also evaluated 2 other autologous and allogeneic cell therapies; the cell therapy modalities were not found to produce significant differences in pain or function after 12 months compared with intra-articular corticosteroid injection. An additional phase 3 trial evaluated autologous adipose tissue-derived MSCs; this trial enrolled patients with severe baseline symptoms and indicated significant improvements in pain, function, and other patient-reported outcomes at 6 months with intra-articular injection of adipose-derived MSCs relative to matching placebo. FDA approval for these methods has not been obtained.

Meniscal Defects

The evidence on the use of MSCs to repair or regenerate damaged meniscal tissue consists of preclinical animal studies, first-in-human uncontrolled implantation of expanded autologous MSCs into meniscal tears, and an early-phase randomized trial of cultured allogeneic MSCs injected into the site of partial meniscectomy. Results are preliminary.

Joint Fusion Procedures

The evidence on the use of MSCs as a component of joint fusion procedures primarily comes from industry-sponsored, prospective, open-label procedures. Outcomes included radiologic assessments of fusion, sometimes made independently, and patient-reported measures (e.g., VAS scores). The MSCs used were cryopreserved allogeneic in origin. Presumptive benefits of allogeneic MSCs are that patients undergoing an orthopedic intervention procedure do not need another graft harvesting procedure and that dose of stem cells can be managed.

Osteonecrosis

Two small RCTs have compared core decompression alone with core decompression plus MSCs in patients with osteonecrosis of the femoral head. Both reported improvement in the Harris Hip Score in patients treated with MSCs, although it was not reported whether the patients or investigators were blinded to the treatment group. Hip survival was significantly improved following treatment with either expanded or concentrated MSCs. The effect appears to be larger with expanded MSCs than with concentrated MSCs. Additional, well-designed RCTs with a large number of patients are needed to permit greater certainty on the efficacy of this treatment for osteonecrosis.

Regulatory Status

The U.S. Food and Drug Administration (FDA) regulates human cells and tissues intended for implantation, transplantation, or infusion through the Center for Biologics Evaluation and Research, under Code of Federal Regulation, Title 21, parts 1270 and 1271. MSCs are included in these regulations.

The regulatory status of the stem cell or stem cell-containing products addressed in this review is summarized below. Concentrated autologous MSCs do not require approval by the FDA. No products using engineered or expanded MSCs have been approved by the FDA for orthopedic applications.

The following products are examples of commercialized demineralized bone matrix (DBM) products. They are marketed as containing viable stem cells. In some instances, manufacturers have received communications and inquiries from the FDA related to the appropriateness of their marketing products that are dependent on living cells for their function. The following descriptions are from the product literature.

- AlloStem® (AlloSource) is a partially demineralized allograft bone seeded with adipose-derived MSCs.
- Map3® (RTI Surgical) contains cortical cancellous bone chips, DBM, and cryopreserved multipotent adult progenitor cells (MAPC®).
- Osteocel Plus® (NuVasive) is a DBM combined with viable MSCs isolated from allogeneic bone marrow.
- Trinity Evolution Matrix™ (Orthofix) is a DBM combined with viable MSCs isolated from allogeneic bone marrow.
- Other products contain DBM alone and are designed to be mixed with bone marrow aspirate:
    - Fusion Flex™ (Wright Medical) is a dehydrated moldable DBM scaffold (strips and cubes) that will absorb autologous bone marrow aspirate;
    - Ignite® (Wright Medical) is an injectable graft with DBM that can be combined with autologous bone marrow aspirate.

A number of DBM combination products have been cleared for marketing by the FDA through the 510(k) process.

For individuals who have cartilage defects, meniscal defects, joint fusion procedures, or osteonecrosis who receive stem cell therapy, the evidence includes randomized controlled trials (RCTs) and nonrandomized comparative trials. Relevant outcomes are symptoms, morbid events, functional outcomes, quality of life, and treatment-related morbidity. Use of mesenchymal stem cells (MSCs) for orthopedic conditions is an active area of research. Despite continued research into the methods of harvesting and delivering treatment, there are uncertainties regarding the optimal source of cells and the delivery method. Studies have included MSCs from bone marrow, adipose tissue, and peripheral blood. Overall, the quality of evidence is low and there is a possibility of publication bias. The strongest evidence to date is on autologous MSCs expanded from bone marrow, which includes several phase 1/2 RCTs and a phase 3 RCT (which also evaluated other cell therapies). The phase 3 trial did not indicate significant improvements with the cell therapy modalities relative to active-control intra-articular corticosteroid injections for patients with knee osteoarthritis after 12 months of follow-up. Another recent phase 3 RCT evaluated autologous MSCs expanded from abdominal adipose tissue for treatment of knee osteoarthritis; this trial indicated autologous adipose-derived MSCs were more effective than matching placebo injections in improving pain, function, and other patient-reported outcomes after 6 months of follow-up. These phase 3 trials' mixed findings may be related to differences in the cell therapy modalities used, baseline cohort characteristics, and/or the use of an active vs placebo control. Alternative methods of obtaining MSCs have been reported in a smaller number of trials and with mixed results. Additional study with longer follow-up is needed to evaluate the long-term efficacy and safety of these procedures. Also, expanded MSCs for orthopedic applications are not U.S. Food and Drug Administration approved (concentrated

autologous MSCs do not require agency approval). Overall, there is a lack of clear evidence that clinical outcomes are improved. The evidence is insufficient to determine that the technology results in an improvement in the net health outcome.

CODING

Medicare Advantage Plans and Commercial Products

The following CPT code(s) are not covered for Medicare Advantage Plans and not medically necessary for Commercial Products:

0263T Intramuscular autologous bone marrow cell therapy, with preparation of harvested cells, multiple injections, one leg, including ultrasound guidance, if performed; complete procedure including unilateral or bilateral bone marrow harvest

0264T Intramuscular autologous bone marrow cell therapy, with preparation of harvested cells, multiple injections, one leg, including ultrasound guidance, if performed; complete procedure excluding bone marrow harvest

0265T Intramuscular autologous bone marrow cell therapy, with preparation of harvested cells, multiple injections, one leg, including ultrasound guidance, if performed; unilateral or bilateral bone marrow harvest only for intramuscular autologous bone marrow cell therapy

0489T Autologous adipose-derived regenerative cell therapy for scleroderma in the hands; adipose tissue harvesting, isolation and preparation of harvested cells including incubation with cell dissociation enzymes, removal of non-viable cells and debris, determination of concentration and dilution of regenerative cells

0490T Autologous adipose-derived regenerative cell therapy for scleroderma in the hands; multiple injections in one or both hands

0565T Autologous cellular implant derived from adipose tissue for the treatment of osteoarthritis of the knees; tissue harvesting and cellular implant creation

0566T Autologous cellular implant derived from adipose tissue for the treatment of osteoarthritis of the knees; injection of cellular implant into knee joint including ultrasound guidance, unilateral

RELATED POLICIES

Stem Cell Therapy for Peripheral Arterial Disease

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