Orthopedic Applications of Stem Cell Therapy

Description of Procedure or Service

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.

**Background**

MSCs are multipotent cells (also called stromal multipotent cells) that possess the ability to differentiate into various tissues including organs, trabecular bone, tendon, articular cartilage, ligaments, muscle and fat. MSCs are associated with the blood vessels within bone marrow, synovium, fat and muscle, where they can be mobilized for endogenous repair as occurs with healing of bone fractures.

Tissues such as muscle, cartilage, tendon, ligaments, and vertebral discs show limited capacity for endogenous repair because of the limited presence of the triad of tissue functional 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 to be the most accessible source and thus the most common place to isolate MSCs for treatment of musculoskeletal disease. However, harvesting MSCs from bone marrow requires an additional procedure that may result in donor site morbidity. In addition, 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 that 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, etc.) and implantation techniques, each preparation must be individually examined.

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

Concentrated autologous MSCs do not require approval by the U.S. Food and Drug Administration (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 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): 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): DBM combined with viable MSCs that have been isolated from allogeneic bone marrow
- **Trinity Evolution Matrix™** (Orthofix): DBM combined with viable MSCs that have been isolated from allogeneic bone marrow.
- **Cellentra™ VCBM** (Biomet®): an allograft that is cryopreserved containing MSCs, osteoprogenitor cells, and pre-osteoblasts.

Whether these products can be considered minimally manipulated tissue is debated. A product would not meet the criteria for FDA regulation part 1271.10 if it is dependent upon the metabolic activity of living cells for its primary function. Otherwise, a product would be considered a biologic product and would need to demonstrate safety and efficacy for the product’s intended use with an investigational new drug and Biologics License Application (BLA).

Other products contain DBM and are intended to be mixed with bone marrow aspirate. Some of the products that are currently available are:

- **Fusion Flex™** (Wright Medical): a dehydrated moldable DBM scaffold (strips and cubes) that will absorb autologous bone marrow aspirate.
- **Ignite®** (Wright Medical): an injectable graft with DBM that can be combined with autologous bone marrow aspirate.
- **DBX Putty Mix and Inject** (DePuy Synthes): an allograft bone void filler that may be combined with bone marrow aspirate.

Other commercially available products are intended to be mixed with bone marrow aspirate and have received 510(k) clearance, such as:

- **CopiOs sponge or paste** (Zimmer) synthetic bone graft material consisting of mineralized, lyophilized collagen.
- **Collage™ Putty** (Orthofix): Composed of type-I bovine collagen and beta tricalcium phosphate.
- **InQu™** (ISTO Technologies): A combination of poly(lactide-co-glycolide) (PLGA) a ceramic bone void filler with hyaluronic acid.
- **FormaGraft®** (Maxigen Biotech Inc.): A synthetic biologic comprised of minerals naturally occurring in the body (hydroxyapatite and beta-tricalcium phosphate) and type I bovine collagen.
- **HEALOS®/HEALOS® FX Bone Graft Replacement** (DePuy Synthes): An osteoconductive matrix constructed of cross-linked collagen fibers that are fully coated with hydroxyapatite.
- **EquivaBone®** (ETEX): A synthetic calcium phosphate based bone substitute.
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- Vitoss® (Stryker, developed by OrthoVita): Vitoss is composed of bovine collagen and beta-tricalcium phosphate.
- nanOss® Bioactive (rti surgical, developed by Pioneer Surgical): nanostructured hydroxyapatite and an open structured engineered collagen carrier.
- Integra MOZAIK™ Osteoconductive Scaffold-Putty (IsoTis OrthoBiologics): Beta-tricalcium phosphate and Type I collagen

In 2008, the FDA determined that the mesenchymal stem cells sold by Regenerative Sciences for use in the Regenexx-C™ procedure would be considered drugs or biological products and thus require submission of a New Drug Application (NDA) or Biologics Licensing Application (BLA) to the FDA. The Regenexx™ procedure originally used stem cells derived from bone marrow or synovial fluid and cultured the cells with autologous platelet lysate in a separate laboratory. Other compounds such as antibiotics were added before the material was returned to the patient in a separate orthopedic procedure. Regenerative Sciences asserted that the procedure was the practice of medicine and not subject to FDA regulation. In 2014, a federal appellate court upheld FDA’s power to regulate adult stem cells as drugs and biologics and ruled that the Regenexx cell product fell within FDA’s authority to regulate human cells, tissues, and cellular and tissue-based products (HCT/Ps). To date, no NDA or BLA has been approved by the FDA for this product. As of 2015, the expanded stem-cell procedure is only offered in the Cayman Islands. Regenexx® network facilities in the U.S. provide same-day stem-cell and blood platelet procedures, which do not require FDA approval. These procedures, along with the Regenexx® Super Concentrated Platelet Rich Plasma, are marketed as treatments for arthritis and injuries of the knee, hip, shoulder, spine, hand and wrist, foot and ankle and elbow.

Cartistem®, a combination of human umbilical cord blood-derived mesenchymal stem cells and sodium hyaluronate, is intended to be used as a single-dose therapeutic agent for cartilage regeneration in humans with cartilage defects of the knee as a result of aging, trauma, or degenerative diseases. A study evaluating the efficacy and safety of Cartistem® has been completed but the results have not been published at this time.

Chondrogen™ (Osiris) is an injectable stem cell product for treatment of osteoarthritis, but is currently not available in the United States.

Related Policies:

- Autologous Chondrocyte Implantation
- Bone Morphogenetic Protein
- Growth Factors in Wound Healing

***Note: This Medical Policy is complex and technical. For questions concerning the technical language and/or specific clinical indications for its use, please consult your physician.

Policy

Mesenchymal stem cell therapy is considered investigational for all orthopedic applications, including use in repair or regeneration of musculoskeletal tissue. Allograft bone products containing viable stem cells, are considered investigational for all orthopedic applications. Allograft or synthetic bone graft substitutes that must be combined with autologous blood or bone marrow are considered investigational for all orthopedic applications. BCBSNC does not cover investigational services or procedures.

Benefits Application

This medical policy relates only to the services or supplies described herein. Please refer to the Member's Benefit Booklet for availability of benefits. Member's benefits may vary according to benefit design; therefore member benefit language should be reviewed before applying the terms of this medical policy.
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When Orthopedic Applications of Stem Cell Therapy is covered

Not Applicable

When Orthopedic Applications of Stem Cell Therapy is not covered

Mesenchymal stem cell therapy is considered investigational for all orthopedic applications, including use in repair or regeneration of musculoskeletal tissue.

Allograft bone products containing viable stem cells, including but not limited to demineralized bone matrix (DBM) with stem cells, are considered investigational for all orthopedic applications.

Allograft or synthetic bone graft substitutes that must be combined with autologous blood or bone marrow aspirate are considered investigational for all orthopedic applications.

Policy Guidelines

Note: This policy does not address unprocessed allograft bone.

For individuals who have cartilage defects, meniscal defects, joint fusion procedures, or osteonecrosis who receive stem cell therapy, the evidence includes small randomized controlled trials and nonrandomized comparative trials. Relevant outcomes are symptoms, morbidity events, functional outcomes, quality of life, and treatment-related morbidity. Use of 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, peripheral blood, and synovial tissue. The largest body of evidence is on use of autologous MSCs, either concentrated or expanded in culture, for cartilage repair. This evidence includes small randomized and nonrandomized comparative trials with insufficient data to evaluate health outcomes. In addition, expanded MSCs for orthopedic applications are not U.S. Food and Drug Administration (FDA)–approved (concentrated autologous MSCs do not require FDA approval). Overall, there is a lack of evidence that clinical outcomes are improved. The evidence is insufficient to determine the effects of the technology on health outcomes.

Billing/Coding/Physician Documentation Information

This policy may apply to the following codes. Inclusion of a code in this section does not guarantee that it will be reimbursed. For further information on reimbursement guidelines, please see Administrative Policies on the Blue Cross Blue Shield of North Carolina web site at www.bcbsnc.com. They are listed in the Category Search on the Medical Policy search page.

Applicable codes: 0565T, 0566T, 20939, 38206, 38230, 38241, 38232, C9359, C9362

38220 in combination with 22510, 22511, 22512, 22513, 22514, 22515, 22533, 22534, 22548, 22551, 22552, 22554, 22558, 22585, 22586, 22590, 22595, 22600, 22612, 22614, 22630, 22632, 22633, 22634, 22800, 22802, 22804, 22808, 22810, 22812, 22856, 22857, 22861, 22864, 22865, 27279, 27280, 27299, 27702, 27703.

BCBSNC may request medical records for determination of medical necessity. When medical records are requested, letters of support and/or explanation are often useful, but are not sufficient documentation unless all specific information needed to make a medical necessity determination is included.

Scientific Background and Reference Sources
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Senior Medical Director review 5/2010


Medical Director review 6/2011

Specialty Matched Consultant Advisory Panel review 2/2012


Specialty Matched Consultant Advisory Panel review 2/2013

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Medical Director review 5/2013


Specialty Matched Consultant Advisory Panel review 2/2014


Specialty Matched Consultant Advisory Panel review 2/2015


Specialty Matched Consultant Advisory Panel review 2/2017


Specialty Matched Consultant Advisory Panel review 2/2018

Policy Implementation/Update Information

<table>
<thead>
<tr>
<th>Date</th>
<th>Update Information</th>
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<tr>
<td>7/6/10</td>
<td>New Medical Policy implemented. Mesenchymal stem cell therapy is considered investigational for all orthopedic applications, including use in repair or regeneration of musculoskeletal tissue. (mco)</td>
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<tr>
<td>8/31/10</td>
<td>Policy Guideline section updated with clinical trial and product information. References updated. (mco)</td>
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<td>6/21/11</td>
<td>Medical Director review 6/2011. References updated. No changes to policy statements. (mco)</td>
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6/11/13 Description section updated. References updated. Policy Guidelines updated. New Policy Statement added: “Allograft bone products containing viable stem cells, including but not limited to demineralized bone matrix (DBM) with stem cells, is considered investigational for all orthopedic applications.” The following statement added to Policy Guidelines: “Note: This policy does not address unprocessed allograft bone.” Medical Director review 5/2013. (mco)

8/13/13 Added new product to Description section: InQu™ (ISTO Technologies): A combination of poly(lactide-co-glycolide) (PLGA) a ceramic bone void filler with hyaluronic acid. (mco)

4/15/14 Specialty Matched Consultant Advisory Panel review 2/2014. Medical Director review 2/2014. Additional products added to the Description section. The following statement added to the “When not Covered” section: “Allograft bone products that are intended to be mixed with autologous bone marrow aspirate are considered investigational.” CPT codes 38232 and 38220 in combination with 22520, 22521, 22522, 22523, 22524, 22525, 22533, 22534, 22548, 22551, 22552, 22554, 22558, 22585, 22586, 22590, 22595, 22600, 22612, 22614, 22630, 22632, 22663, 22634, 22800, 22802, 22804, 22808, 22810, 22812, 22856, 22857, 22861, 22864, 22865, 27280, 27298, 27702, 27703 added to “Billing/Coding” section. References updated. Policy noticed 4/15/14 for effective date 7/1/14. (mco)

12/30/14 Codes 22520, 22521, 22522, 22523, 22524, and 22525 deleted from Billing/Coding section. Codes 22510, 22511, 22512, 22513, 22514, 22515, and 27279 added to Billing/Coding section for effective date 1/1/2015. (sk)

5/26/15 Specialty Matched Consultant Advisory Panel review 2/25/2015. Reference added. New products added to the Background section. The following statement added to the Policy statement “Allograft or synthetic bone graft substitutes that must be combined with autologous blood or bone marrow are considered investigational for all orthopedic applications”. (sk)


12/29/17 Code 20939 added to Billing/Coding section for effective date 1/1/2018. (sk)


12/31/19 CPT codes 0565T and 0566T added to Billing/Coding section. (sk)

Medical policy is not an authorization, certification, explanation of benefits or a contract. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the group contract and subscriber certificate that is in effect at the time services are rendered. This document is solely provided for informational purposes only and is based on research of current medical literature and review of common medical practices in the treatment and diagnosis of disease. Medical practices and knowledge are constantly changing and BCBSNC reserves the right to review and revise its medical policies periodically.

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