

Smith+Nephew

CARTIHEAL[◇]

AGILI-C[◇] Cartilage Repair Implant



CARTIHEAL[◇] AGILI-C[◇] CARTILAGE REPAIR IMPLANT

PHYSICIAN

CODING & BILLING CATEGORY III CODES

The information on the subsequent pages in this section provides coding guidance for physicians and facilities submitting authorization requests and claims for knee repair procedures.

Information on reimbursement in the U.S. is provided as a courtesy. Due to the rapidly changing nature of the law and the Medicare payment policy, and reliance on information provided by outside sources, the information provided herein does not constitute a guarantee or warranty that reimbursement will be received or that the codes identified herein are or will remain applicable. This information is provided "AS IS" and without any other warranty or guarantee, expressed or implied, as to completeness or accuracy, or otherwise. This information has been compiled based on data gathered from many primary and secondary sources, including the American Medical Association, and certain Medicare contractors.

Providers must confirm or clarify coding and coverage from their respective payers, as each payer may have differing formal or informal coding and coverage policies or decisions. Providers are responsible for accurate documentation of patient conditions and for reporting of products in accordance with particular payer requirements.

Billing Category III Codes: Special Report & Crosswalk Codes

Category III CPT Codes

Category III codes are for emerging technologies, procedures, and services. They enable physicians and outpatient facilities to accurately report data on utilization, clinical efficacy, and outcomes. According to the American Medical Association, a Category III CPT code must be used in place of an unlisted code if the Category III Code accurately identifies the service performed.

Category III CPT code 0737T has been designated by the AMA/CPT Editorial Panel to report the CARTIHEAL[®] AGILI-C[®] Cartilage Repair Implant.

Special Report

When submitting claims for a Category III CPT code, providers should include detailed medical notes documenting the time and complexity of the work associated with the service, and the patient's medical condition. Medical documentation, including the operative note, informs the payer why the treatment was selected for the patient, captures the level of work and materials necessary to complete the procedure, and supports the patient's medical necessity for the service.

When reporting charges for CPT Code 0737T, physicians should provide a crosswalk to an existing Category I CPT code with comparable resources to the CARTIHEAL AGILI-C Cartilage Repair Implant procedure. To select a crosswalk, physicians may want to consider:

- Comparable services with similar physician time, medical decision making and practice expense
- Comparison statement of similarities and difference in time and necessary resources
- Difference in work for the service associated with the Category III code as a percentage of increase or decrease of the work for the comparison procedure
- Normal charge for the comparison service and the charge for the Category III code

For Commercial payers, individual payer guidelines and contracts should be referenced to identify reporting requirements for Category III CPT Codes.

Options for Crosswalk Coding

The following **may** represent optional crosswalk codes for purposes of special reporting:

CPT ⁵ Code	Description	Total RVUs ¹	2026 Medicare National Average			APC
			Physician ²	HOPD ³	ASC ⁴	
27412	Autologous chondrocyte implantation, knee	44.74	\$1,494	\$7,413	\$3,696	5114
27415	Osteochondral allograft, knee, open	37.67	\$1,258	\$13,117	\$10,492	5115
27416	Osteochondral autograft(s), knee, open (e.g., mosaicplasty) (includes harvesting of autograft[s])	27.02	\$902	\$7,413	\$3,696	5114
27447	Arthroplasty, knee, condyle, and plateau; medial AND lateral compartments with or without patella resurfacing (total knee arthroplasty)	34.72	\$1,160	\$13,117	\$9,393	5115
29877	Arthroscopy, knee, surgical; debridement/shaving of articular cartilage (chondroplasty)	17.57	\$587	\$3,343	\$1,645	5113
29879	Arthroscopy, knee, surgical; abrasion arthroplasty (includes chondroplasty where necessary) or multiple drilling or microfracture	18.66	\$623	\$3,343	\$1,645	5113

¹ Total RVU (Relative Value Unit) – Total includes work RVU, Practice Expense RVU and Malpractice RVU. MPFS, 2026 Final Rule. www.cms.gov

² Medicare Physician Fee Schedule Conversion Factor, 2026, Final Rule. www.cms.gov

³ Hospital Outpatient PPS, 2026 Final Rule, www.cms.gov

⁴ Prospective Payment Systems, ASC Payment, Addenda, 2026, Final Rule. www.cms.gov

⁵ CPT is a registered trademark of the AMA. All rights reserved.

The following letter is an example of the format and basic information necessary to create the “special report” and “crosswalk” code validation. All providers should be mindful of the inappropriate use of template documents by physicians in place of case-specific language and description of actual procedures performed. This letter provides one example of how the submission might be formatted to provide a clear and concise explanation of the actual procedure performed and the detail necessary to depict the technology in regard to the patient-specific medical necessity of the procedure as supported with clinical data and case documentation.

[DATE]

Claim Submission Department

[HEALTH PLAN NAME]

RE: [PATIENT NAME] [INSURED DATE OF BIRTH] [INSURANCE ID] [GROUP NUMBER]

Temporary Code Special Report

Primary CPT Code: [CPT-III Code(s) i.e., 0737T]

Primary DX: [DX Code]

Dear Claims Review Manager:

On behalf of my patient, [PATIENT NAME], this letter serves as a claim submission “special report” and provides clinical information on this patient’s condition and serves as a formal request for reimbursement by [NAME OF INSURANCE CARRIER] for medically necessary health care services captioned above. [PATIENT NAME] presented to me with [INSERT DIAGNOSIS]. This letter and its supporting documents will provide you with this patient’s clinical history supporting the need for the CARTIHEAL^o AGILI-C^o Cartilage Repair Implant.

[Patient Name] is [age] years old and presents with [Right/Left/Bilateral] [diagnosis] as confirmed by [MRI or CT] on [insert date of radiographic exam]. This patient reports symptoms for [duration of current symptoms (3 months or longer)] months resulting from [sports or traumatic injury, chronic repetitive stress, or injury]. Patient reported symptoms include [pain, swelling, catching of the joint, inability to straighten the knee, other] due to this condition. Currently, these symptoms limit functional abilities including [walking, driving, working, return to sports, other].

TECHNOLOGY DESCRIPTION

CARTIHEAL AGILI-C Cartilage Repair Implant is a cell-free, off-the-shelf implant for use in cartilage and osteochondral defects in traumatic knee joints. It is a porous, biocompatible, and resorbable bi-phasic scaffold consisting of interconnected natural inorganic calcium carbonate (aragonite).

The CARTIHEAL AGILI-C scaffold is indicated for the treatment of an International Cartilage Repair Society grade III or above knee-joint surface lesion(s), with a total treatable surface area of 1-7cm² without severe osteoarthritis (Kellgren-Lawrence grade 0-3).

The U.S. Food and Drug Administration (FDA) granted CARTIHEAL AGILI-C Implant Breakthrough **Device** designation status in 2020 and Premarket Approval (PMA P210034), March 29, 2022. PMA approval was granted based on the results of a two-year randomised controlled trial (N=251) that confirmed superiority of CARTIHEAL AGILI-C Implant over current standard of care - microfracture and debridement for the treatment of knee joint surface lesions, chondral and osteochondral defects.

PROCEDURE DESCRIPTION

Under general anesthesia, a medial or lateral para-patellar arthrotomy is performed to allow exposure of the entire compartment to visualize articular surfaces. Appropriate debridement of the lesion is confirmed and/or completed. The defect is carefully sized and marked. The defect is then prepared for graft implantation using customized instrumentation to develop a donor site to accept the CARTIHEAL[®] AGILI-C[®] Cartilage Repair Implant. The steps are repeated as needed to add multiple implants to the defect depending on the size. The graft is appropriately placed using a press fit technique into the prepared defect. The knee is then brought through a range of motion to assure proper fixation and alignment of the graft with the native medial femoral condyle. The incision is closed in layers.

VALUATION & CROSSWALK CODE

The procedure for the CARTIHEAL AGILI-C Implant is being billed using CPT code 0737T, Xenograft implantation into the articular surface.

As this is a Category III CPT code, no Relative Value Units (RVUs) have been assigned to this procedure. However, based on my clinical experience, I believe the time and intensity to complete this implant procedure as well as resources and materials required compares to existing CPT code [insert code and description of comparator procedure]. The charge for [insert comparable code] is [\$XXX.XX]. Therefore, I have submitted a charge of [\$XXX.XX] for the CARTIHEAL AGILI-C Cartilage Repair Implant procedure. [include percentage difference if noted]. Attached please find a detailed copy of my operative report and office notes.

Should you have further questions or concerns, please do not hesitate to contact me. Thank you.

Sincerely,

[PHYSICIAN NAME]

[PRACTICE NAME]

[Enclosures: Operative report, office notes]