



**Kaiser Foundation Health Plan**

**Clinical Policy for Medical Necessity Criteria for Total and Partial Knee Arthroplasty**

**Department:** Orthopedic Surgery

**Effective:** 2/4/2026

**Policy #:** NCP 14

**Last Reviewed:** 2/4/2026

**Overview/Definitions**

Medical necessity criteria and policy are applied only after member eligibility and benefit coverage is determined. Questions concerning member eligibility and benefit coverage need to be directed to Membership Services.

**Coverage Determinations**

Line of Business	Determination Name/Number & Contractor	Revision Date
<b>For Medicare Members</b>		
<b>NCD</b>	None	
<b>LCD</b>	L36575 “Total Knee Arthroplasty”. For Medicare lines of business, use the criteria in the LCD (Noridian Healthcare Solutions, LLC).	11/06/2025
<b>For Medicaid Members</b>		
OR Medicaid	This policy does not apply. Check Linefinder.	
WA Medicaid	This policy does not apply.	
<b>Commercial and Self-Funded Plans</b>		
OR Commercial	This policy applies	
WA Commercial	This policy applies	
Self-funded Plans	This policy applies	

## Clinical Indications for Non-Medicare Members

**Total and/or Partial Knee Arthroplasty may be considered medically necessary for degenerative joint disease when ALL the following are met:**

- 1) Treatment is needed because of functional disabling pain of at least 3 months duration which interferes with the ability to carry out activities of daily living
- 2) Radiographic or arthroscopic evidence of moderate to severe osteoarthritis as evidenced by 1 or more of the following:
  - Moderate multiple osteophytes, definite narrowing of joint space, some sclerosis and possible deformity of bone contour (Kellgren-Lawrence Grade 3)
  - Large osteophytes, marked narrowing of joint space, severe sclerosis, and definite deformity of bone contour (Kellgren-Lawrence Grade 4)
  - Exposed subchondral bone (full thickness cartilage loss with underlying bone reactive changes) noted on arthroscopy or MRI (Outerbridge Grade IV)
- 3) Patients must have 3 months of non-operative, conservative treatment as demonstrated by a trial of 1 or more of the following medications:
  - Non-steroidal anti-inflammatory drugs (oral or topical)
  - Acetaminophen
  - Intra-articular injection of corticosteroids as appropriate
- 4) A trial of at least 3 Physical Therapy sessions in the last 12 months with documentation that includes flexibility/muscle strengthening exercises and reasonable restriction of activities OR documentation that Physical Therapy is not clinically appropriate due to severe pain, severe functional limitations OR severe (end-stage) osteoarthritis.
- 5) BMI < 35: if BMI is > 40, optimization efforts must include ALL the following:
  - Documentation demonstrating active attempts towards weight loss as shown by sustained weight loss over 3-6 months
  - Documentation of stagnant weights despite documented active participation in a weight loss or exercise program
  - If optimization attempts are unsuccessful, the surgeon and patient may proceed if there is documentation of understanding of the risks through shared decision

making. However, BMI > 40 is a relative contraindication. Despite not achieving this BMI, if the provider has documented adequate efforts to improve these parameters, the case will be reviewed on a case-by-case basis by a medical director.

6) If diabetic the HbA1c < 7.5 (with the presence of heart disease, no lower than 7.5), if A1C >7.5 the following must be documented:

- Must be involved with active medical management pre and post operatively.

**Total and/or Partial Knee Arthroplasty may ALSO be considered medically necessary, after failure of nonoperative interventions, for ANY of the following diagnoses:**

- Distal femur fracture in a patient with osteoporosis
- Failure of a previous proximal tibial or distal femoral osteotomy
- Hemophilic arthroplasty
- Limb salvage for malignancy
- Post-traumatic knee joint destruction
- Avascular necrosis of the tibial or femoral condyle
- Inflammatory arthritis

**Kellgren-Lawrence Classification of Osteoarthritis**

<b>Grade</b>	<b>Description</b>
grade 0 (none)	definite absence of x-ray changes of osteoarthritis
grade 1 (doubtful)	doubtful joint space narrowing and possible osteophytic lipping
grade 2 (minimal)	definite osteophytes and possible joint space narrowing
grade 3 (moderate)	moderate multiple osteophytes, definite narrowing of joint space and some sclerosis and possible deformity of bone ends
grade 4 (severe)	large osteophytes, marked narrowing of joint space, severe sclerosis and definite deformity of bone ends

**Outerbridge**

<b>Grade</b>	<b>Description</b>
Outerbridge 0	Cartilage is normal
Outerbridge 1	Cartilage shows chondromalacia
Outerbridge 2	Cartilage shows partial thickness fibrillation
Outerbridge 3	Cartilage shows deep fibrillation
Outerbridge 4	Full thickness cartilage loss

## Exclusions

Knee arthroplasty is not considered medically necessary due to being contraindicated in the following cases:

- Active infection of the joint or active systemic bacteremia
- Active skin infection within the planned surgical approach
- Unstable angina
- Presence of any medical condition that interferes with successful rehabilitation
- Lack of caregiver or unsuitable home situation for rehabilitation
- Patients who are non-ambulatory at baseline

## Coding

CPT Codes	Description
27437	Arthroplasty, patella; without prosthesis
27438	Arthroplasty, patella; with prosthesis
27440	Arthroplasty, knee, tibial plateau
27441	Arthroplasty, knee, tibial plateau; with debridement and partial synovectomy
27442	Arthroplasty, femoral condyles or tibial plateau(s), knee
27443	Arthroplasty, femoral condyles or tibial plateau(s), knee; with debridement and partial synovectomy
27445	Arthroplasty, knee, hinge prosthesis (eg, Walldius type)
27446	Arthroplasty, knee, condyle and plateau; medial OR lateral compartment
27447	Arthroplasty, knee, condyle and plateau; medial AND lateral compartments with or without patella resurfacing (total knee arthroplasty)
27486	Revision of total knee arthroplasty, with or without allograft; 1 component
27487	Revision of total knee arthroplasty, with or without allograft; femoral and entire tibial component
27488	Removal of prosthesis, including total knee prosthesis, methylmethacrylate with or without insertion of spacer, knee

## References

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## History Details

Type	Action	Date
Review/Revised	Reviewed at UM Quality Oversight Committee	3/17/26