

Reimbursement Policy

Policy Number: RP007

Policy Title: Implant, Device, and Tissue Policy

Approval Date: Aug. 21, 2026

Effective Date: Aug. 28, 2026

Policy Disclaimer

If a conflict arises between a Reimbursement Policy and any Plan document under which a member is entitled to covered services, the Plan document will govern. If a conflict arises between a reimbursement policy and any provider contract pursuant to which a provider participates in and/or provides covered services to eligible member(s) and/or plans, the provider's contract will govern. "Plan documents" include, but are not limited to, Certificates of Health Care Benefits, Benefit Booklets, Summary Plan Descriptions and other coverage documents. Blue Cross and Blue Shield of New Mexico may use reasonable discretion interpreting and applying this policy to services being delivered in a particular case. BCBSNM has full and final discretionary authority for their interpretation and application to the extent provided under any applicable Plan documents.

Providers are responsible for submitting accurate documentation of services performed. Providers are expected to submit claims for services rendered using valid code combinations from Health Insurance Portability and Accountability Act approved code sets. Claims should be coded appropriately according to industry standard coding guidelines including, but not limited to: Uniform Billing Editor, American Medical Association, Current Procedural Terminology (CPT®) Assistant, Healthcare Common Procedure Coding System, ICD-10-CM and ICD-10-PCS, National Drug Codes, Diagnosis Related Group guidelines, Centers for Medicare & Medicaid Services National Correct Coding Initiative Policy Manual, CCI table edits and other CMS guidelines.

Claims are subject to the code edit protocols for services and procedures billed. Claim submissions are subject to claim review, including but not limited to, any terms of benefit coverage, provider contract language, medical policies and reimbursement policies, as well as coding software logic. Upon request, the provider is urged to submit any additional documentation.

Description

The Food and Drug Administration (FDA) defines a medical implant as a device or tissue that is placed inside or on the surface of the body. An implant is a device that is placed into a surgically or naturally formed cavity of the human body and is intended to remain there for a period of 30 days or more. However, there may be instances where a device that remains in the body for less than 30 days could be considered as an implant. For example:

- Implants which deliver medication
- Implants that monitor body functions
- Implants that provide support to organs and tissues

Implants may include, but are not limited to, the following:

- Metal anchors
- Artificial joints
- Pins, plates, or metal screws
- Radioactive seeds,
- Shunts or stents
- Types of allografts
- Types of autografts

Definitions

Adhesives - glues which are capable of bonding various tissues together including a variety of surfaces, such as skin or muscle and are also capable of bonding blood vessels together.

Hemostats - effective for diffusing bleeding.

Material – Inorganic or biological substance(s) that cannot be dissolved, absorbed, resorbed, or remodeled.

Sealants - agents that can prevent the leakage of potentially nonclotting fluids from tissues, such as cerebrospinal fluid from the central nervous system but may also be capable of preventing the leakage of blood from blood vessels. Sealants form a barrier preventing the flow of liquids.

Topical Hemostats - materials that stop bleeding by causing blood to clot and thus require blood to be present to satisfy their clotting function.

Reimbursement Information

The Plan reserves the right to request supporting documentation. Failure to adhere to coding and billing policies may impact claims processing and reimbursement.

Autografts are not eligible for separate reimbursement as the cost for the harvest and preparation should be included in the procedure charge. Generally, allografts (that are dissolved/absorbed/resorbed/remodeled), and liquids (such as sealants, hemostats, and topical hemostats) will not be reimbursed if billed as an implant unless there is an exception, such as for extended support of organs and tissues.

A supply or instrument is not an implant if it is purposed to be removed or discarded during the same inpatient or outpatient procedure or single episode of care in which they are placed in the body.

Below are examples of supplies, instruments, and miscellaneous items that are not eligible for separate reimbursement outside of the global fee. This is not an all-inclusive list:

- Bone Morphogenetic Proteins
- Bone Putty
- Endoscopes
- Catheters
- Staples
- Clips
- Tubes
- Temporary Drains
- Guide Wires

Revenue Code 0278 (Other Implants)

- If separately reimbursable, billed charges for revenue code 0278 may require a vendor's invoice to support the implants used that correspond to the services rendered, unless otherwise agreed upon.
- These units must be clearly indicated on the vendor invoices submitted with the claim. If the units do not match or are not noted, the revenue code 0278 will be denied, unless otherwise agreed upon.
- If implants are purchased by the provider in bulk, the units that apply to the claim billed must be noted on the invoice or the revenue code 0278 will be denied, unless otherwise agreed upon.

Contaminated/Unused/Wasted Implants or Supplies

Providers will not be reimbursed for implants and supplies that are presumed contaminated, considered a waste, and/or were not implanted in the member. The Plan urges providers and facilities to utilize implants and supplies in an efficient manner to prevent waste. For example:

- Any items that were prepared or opened during a procedure or service but were not used or implanted into the member
- Items that were opened by mistake
- Changes-of-mind by the surgeon to use an item for the member
- Equipment failure and/or technical difficulties
- Surgery case cancellation
- Large packages of supplies and/or implants when more appropriate packaging can be purchased

Additional Information

- Provider or vendor administrative storage and delivery costs will not be reimbursed.
- Items or services should be all encompassed under the surgical rate charge, and therefore, the member should not be responsible for these charges or services, unless allowed under the terms of their health benefit plan.

Additional Resources

Reimbursement Policy (formerly known as Clinical Payment and Coding Policy)

CPCP002 Inpatient/Outpatient Unbundling Policy - Facility

Medical Policy

SUR703.051 Orthopedic Applications of Stem Cell Therapy (Including Allografts and Bone Substitutes Used with Autologous Bone Marrow)

SUR705.038 Bone Morphogenetic Protein

References

U.S. Food & Drug Administration, [Implants and Prosthetics](#). Accessed April 30, 2026.

U.S. Food & Drug Administration, [IDE Definitions and Acronyms](#). Accessed April 30, 2026.

Optum. Copyright 2026. Uniform Billing Editor. Optuminsight. Revenue Code 0278.

[Clinical and Applied Thrombosis/Hemostasis](#) 16(5) 497-514. Accessed April 30, 2026.

Policy Update History

Approval Date	Description
07/25/2017	New policy
06/11/2018	Annual Review
11/07/2018	Verbiage updates
04/01/2019	Annual Review
07/06/2020	Annual Review, Disclaimer Update, Verbiage Update
02/22/2023	Annual Review
09/24/2024	Annual Review
10/13/2025	Annual Review; Grammatical and formatting updates; References updated.
08/21/2026	Annual Review; CPCP002 added to Additional Resources.