Policy Changes

Device, Implant and Skin Substitue Payment Policy #3983

Policy Update #: POLPAY01222027

Effective Date: **1/22/2027**

Current State: Medicaid, Medicare, and Commercial policy guidance was combined under Policy #3983.

Future State:

Medicare: Payment Policy #3983- Device, Implant, and Skin Substitute Payment Policy will retire the Medicare line of business from the policy effective December 31, 2026. Providers should refer to the Centers for Medicare & Medicaid Services (CMS) for all guidance related to devices, implants, and skin substitutes following retirement of this policy.

Medicaid & Commercial Plans: Payment Policy #3983 Device, Implant, and Skin Substitute Payment Policy has undergone its annual review and update. The policy has been restructured into two separate policies for greater clarity and alignment by line of business. Providers should carefully review the updated policies to understand the changes and ensure appropriate billing and documentation practices.

Summary of Changes: Retirement of the Medicare line of business; Separation of Medicaid and Commercial policies; Clarification added for billing, coding, documentation and reimbursement requirements, including but not limited to, clarification of same-claim and same-date-of-service reporting requirements; expanded guidance for device credits, replacement devices, skin substitutes, and revenue code 0278.

Applicable Plans: Medicare, Medicaid and Commercial

Applicable Policy: 3983

Business Owner: Cost of Care