

Knee Arthroscopy – State Products

Policy Number: **M20130418034**
Effective Date: **6/1/2013**
Sponsoring Department: **Health Care Services**
Impacted Department(s): **Health Care Services**

Type of Policy: ☐ Internal ☒ External

Data Classification: ☐ Confidential ☐ Restricted ☒ Public

Applies to (Line of Business):

- ☐ Corporate (All)
☒ State Products, if yes which plan(s): ☒ MediSource; ☒ MediSource Connect; ☒ Child Health Plus ☒ Essential Plan
☐ Medicare, if yes, which plan(s): ☐ MAPD; ☐ PDP; ☐ ISNP; ☐ CSNP
☐ Commercial, if yes, which type: ☐ Large Group; ☐ Small Group; ☐ Individual
☐ Self-Funded Services *(Refer to specific Summary Plan Descriptions (SPDs) to determine any pre-authorization or pre-certification requirements and coverage limitations. In the event of any conflict between this policy and the SPD of a Self-Funded Plan, the SPD shall supersede the policy.)*

Excluded Products within the Selected Lines of Business (LOB)

N/A

Applicable to Vendors? Yes ☐ No ☒

Purpose and Applicability:

To set forth the medical necessity criteria for coverage of knee **arthroscopy** for MediSource, MediSource Connect, Child Health Plus and Essential Plan members.

Policy:

MediSource, MediSource Connect, Child Health Plus and Essential Plan

Per New York State criteria, knee arthroscopy using debridement and lavage as a treatment for osteoarthritis is not covered. The following procedures specifically will not be eligible for reimbursement:

- Arthroscopic lavage used alone;
- Arthroscopic debridement for osteoarthritis in members presenting with knee pain only; or
- Arthroscopic lavage with or without debridement in members presenting with severe osteoarthritis as defined in the **Outerbridge classification scale**, grades III and IV.

Unless there are specific indicators in addition to pain, Independent Health will not cover arthroscopic debridement and lavage of the knee in the context of OA alone. Specific indicators for which Independent Health will cover arthroscopic surgery of the knee include:

- Loose bodies;
- Unstable flaps of articular cartilage;
- Disruption of the meniscus;
- Impinging osteophytes.

BACKGROUND:

Arthroscopy is a surgical procedure that allows direct visualization of the interior joint space. In addition to providing visualization, arthroscopy enables the process of joint cleansing through the use of lavage or irrigation. Although generally performed to reduce pain and improve function, current practice does not recognize the benefit of lavage alone for the reduction of mechanical symptoms. Arthroscopy also permits the removal of any loose bodies from the interior joint space, a procedure termed debridement. Debridement is intended to improve symptoms and joint function in patients with mechanical symptoms such as locking or catching of the knee.

Scientific evidence regarding arthroscopic lavage and arthroscopic debridement for osteoarthritis of the knee (without mechanical derangement) has shown that there is no improvement in patient outcomes, specifically, reduction in pain or improvement in knee function.

Pre-Authorization Required? Yes ☐ No ☒

Pre-authorization is not required at the present time. Criteria above will be utilized upon retro-review.

Definitions

Arthroscopy: Surgical procedure that allows direct visualization of the interior joint space. The procedure is generally performed to reduce pain and improve joint function.

Outerbridge Classification Scale: a commonly used clinical scale classifying the severity of joint degeneration of the knee by grades. Grades are as follow:

- Grade I is defined as softening or blistering of joint cartilage

- Grade II is defined as fragmentation or fissuring in an area <1 cm
- Grade III presents clinically with cartilage fragmentation or fissuring in an area >1cm
- Grade IV refers to cartilage erosion down to the bone

NOTE: Grades III and IV are characteristic of severe osteoarthritis

References

Related Policies, Processes and Other Documents

N/A

Non-Regulatory references

American Academy of Orthopedic Surgeons Management of Osteoarthritis of the Knee (Non-Arthroplasty) Evidence-Based Clinical Practice Guideline. 08/31/2021. Available at:

<https://www.aaos.org/oak3cpg> Accessed December 9, 2025

Regulatory References

New York State Medicaid Update [web site]; Volume 28; Number 5; April 2012: p. 8-9. Available at:

http://www.health.ny.gov/health_care/medicaid/program/update/2012/april12mu.pdf

Accessed December 9, 2025

New York State Medicaid Update [web site]; Volume 28; Number 13; November 2012: p. 8. Available at:

https://www.health.ny.gov/health_care/medicaid/program/update/2012/nov12mu.pdf

Accessed December 9, 2025

This policy contains medical necessity criteria that apply for this service. Please note that payment for covered services is subject to eligibility criteria, contract exclusions and the limitations noted in the member's contract at the time the services are rendered.

Version Control

Signature / Approval on File? Yes ☒ No ☐

Revision Date	Owner	Notes
4/1/2026	Health Care Services	Reviewed
4/1/2025	Health Care Services	Reviewed
4/1/2024	Health Care Services	Reviewed
4/1/2023	Health Care Services	Revised
4/1/2022	Health Care Services	Reviewed
4/1/2021	Health Care Services	Revised
4/1/2020	Medical Management	Reviewed
5/1/2019	Medical Management	Revised
5/1/2018	Medical Management	Revised

6/1/2017	Medical Management	Revised
7/1/2016	Medical Management	Revised
6/1/2015	Medical Management	Revised
5/1/2014	Medical Management	Revised