Frequently Asked Questions: Complex Spinal Fusion Payment

New MS-DRGs 523-525 for Extensive or Complex Spinal Fusion, Except Cervical

Effective for discharges on or after October 1, 2026

*This FAQ explains the new Medicare Severity Diagnosis-Related Groups (MS-DRGs) that the Centers for Medicare & Medicaid Services (CMS) established for extensive or complex spinal fusion procedures,[1] including procedures performed with the **iFuse Bedrock Granite®** (Granite) and the **iFuse Granite Onyx®** (Onyx) Implant Systems.*

Key Details

Case Type

Every Granite SIJ fusion case[2] maps to new MS-DRGs 523-525.
Onyx when used in extensive spinal fusions

Effective Date

October 1, 2026

Payment
Medicare Unadjusted Rates[1]

- **DRG 523, MCC = $102k**
- **DRG 524, CC = $73k**
- **DRG 525, no MCC/CC = $54k**

Read ahead for the full Q & A addressing background, case qualification, coding, and implementation.

[1] CMS FY 2027 IPPS Final Rule, 1849-F
[2] When Granite is used for SI joint fusion adjunctive to a multi-segment spinal fusion.

Scope and Qualifying Granite Cases

Q1. When Granite is used, does pelvic fixation alone qualify for the new DRGs, or is sacroiliac joint fusion required?

A. The device-based pathway for MS-DRGs 523-525 for Granite is tied to the "Section X" New Technology ICD-10-PCS codes specific to sacroiliac joint fusion (SIJF). Please see Q2 for the list of applicable codes.

Q2. How does MS-DRG mapping work for Granite cases?

A. Granite cases group to MS-DRGs 523-525 under the device-based pathway whenever the claim reports one of the Granite-specific "Section X" New Technology ICD-10-PCS codes for SI joint fusion, independent of the number of levels fused in the broader spinal fusion construct. The applicable ICD-10-PCS codes are:

ICD-10-PCS Code	Code Descriptor
XRGF358	Percutaneous left sacroiliac joint fusion with internal fixation device with Tulip connector, New Tech. Group 8
XRGE358	Percutaneous right sacroiliac joint fusion with internal fixation device with Tulip connector, New Tech. Group 8
XRGF058	Open left sacroiliac joint fusion with internal fixation device with Tulip connector, New Tech. Group 8
XRGE058	Open right sacroiliac joint fusion with internal fixation device with Tulip connector, New Tech. Group 8

CMS created these Section X codes specifically for Granite.[2] Other devices cleared for SI joint fusion adjunctive to multi-segment spinal fusions are instead reported using general ICD-10-PCS codes from the medical/surgical code set and do not map to the new MS-DGRs via the device-based pathway.

Q3. Do the new MS-DRGs affect outpatient or physician payment?

A. No. MS-DRGs apply only to inpatient hospital payment under the Medicare Inpatient Prospective Payment System (IPPS). Outpatient hospital and physician services are paid under separate payment systems and are reported using CPT and HCPCS codes, as applicable. The new MS-DRGs do not change outpatient or physician payment methodology.

Q4. How do inpatient coders know when it is appropriate to assign the Granite-specific ICD-10-PCS codes to a case?

A. Hospital coding teams assign ICD-10-PCS codes based on the procedure documented in the surgeon's operative note. When iFuse Bedrock Granite is used to perform SI joint fusion, the operative report should clearly identify SI joint fusion as the procedure performed and describe the placement and use of the Granite implant. When SI joint fusion is clinically indicated and performed, the surgeon should also document the reason for the fusion and describe it as a distinct component of the procedure. Clear documentation allows hospital coders to determine whether the Granite-specific ICD-10-PCS fusion codes are appropriate.

Q5. What if the physician and hospital coding do not appear to describe the same procedure?

A. Physician and hospital coding should be considered together when possible. Though CPT and ICD-10-PCS are separate coding systems, if the physician reports only CPT 22848 for pelvic fixation while the hospital reports an ICD-10-PCS code describing SI joint fusion, the difference may warrant review of the

2 CMS FY 2023-FY 2027 IPPS Final Rules, 1771-F, 1785-F, 1808-F, 1833-F, 1849-F

operative documentation to confirm that both claims accurately reflect the procedures performed. Code selection should always originate from the surgeon's documentation of the procedures actually performed. MS-DRG assignment should not drive either the documentation or the codes selected.

Effective Date

Q6. When do the new MS-DRGs take effect?

A. MS-DRGs 523-525 are effective for discharges on or after October 1, 2026 (the start of CMS' IPPS FY 2027).

Payment

Q7. What is the payment for the new MS-DRGs?

A. MS-DRGs 523-525 replace the prior mix of MS-DRGs for extensive or complex spinal fusion cases beginning with discharges on or after October 1, 2026. National relative weights and payment rates for each severity tier are set by CMS's FY 2027 IPPS final rule tables:

MS-DRG	Severity Tier	FY 2027 Medicare Unadjusted Rate[3]
523	Extensive or Complex Spinal Fusion, Except Cervical With MCC	$101,512
524	Extensive or Complex Spinal Fusion, Except Cervical With CC	$72,650
525	Extensive or Complex Spinal Fusion, Except Cervical Without CC/MCC	$53,903

Background

Q8. Why did CMS create the Extensive or Complex Spinal Fusion except Cervical MS-DRGs?

A. In the FY 2027 Inpatient Prospective Payment System (IPPS) Final Rule, CMS created three new MS-DRGs (523, 524, and 525) for Extensive or Complex Spinal Fusion Procedures Except Cervical, with MCC, CC or no MCC/CC, respectively. As part of its decision and policymaking, CMS reviewed Granite procedure cost data, as well as Breakthrough features of Granite as a technology providing advanced spinopelvic fixation with SI joint fusion capabilities, following expiration of its New Technology Add-on Payment (NTAP). In the FY 2027 IPPS rulemaking, CMS included detailed discussion and analysis of Granite cases to conclude, and finalize, that new MS-DRGs were warranted to make appropriate payments to hospitals supporting its use.

Q9. What cases map to the new Extensive or Complex Spinal Fusion MS-DRGs?

A. MS-DRGs 523–525 capture Granite cases through two pathways:

- **Granite-based pathway: the claim reports one or more of the CMS-assigned procedure codes specific to the iFuse Bedrock Granite Implant System.**[4]
- **Levels fused pathway:** the construct meets CMS's minimum levels-fused threshold for any extensive spinal fusion, defined as:

[3] CMS FY 2027 IPPS Final Rule, 1849-F

[4] Cases using a custom-made anatomically designed interbody fusion device (CMADIFD) also map to MS-DRGs 523-525.

- 8 or more thoracic joints
- At least 2 thoracic and 2 lumbar joints

A construct that includes the iFuse Granite Onyx® Implant System will qualify for these new MS-DRGs when extensive spinal fusion criteria are met. See Q10 for additional details. CMS' ICD-10-CM/PCS MS-DRG v44.0 Definitions Manual lists qualifying ICD-10-PCS codes and code combinations that map to DRGs 523-525.

Qualifying Technologies

Q10. Do other devices indicated for sacroiliac joint fusion adjunctive to multi-segment spinal fusions also qualify for the new MS-DRGs 523-525?

A. MS-DRG assignment is based on the diagnoses and procedures reported on the inpatient claim. Granite is the only device indicated for sacroiliac joint fusion adjunctive to multi-segment spinal fusions that CMS has specifically identified and evaluated when establishing the new MS-DRGs 523-525 in the FY 2027 IPPS Final Rule.[3] Granite was named 18 times in the Final Rule, reflecting CMS's detailed consideration of its clinical function and role in complex and extensive spinal fusion procedures. As reviewed by CMS during the FY 2027 IPPS rulemaking, the iFuse Bedrock Granite® Implant System represents a "next-generation solution" that provides both pelvic fixation and sacroiliac joint fusion, along with immediate and durable construct stability.

Granite is differentiated by its combined SI joint fusion and construct fixation features, including a porous fusion sleeve, helical threaded design, and novel connection to the posterior fixation rod. Granite has a strong inner threaded screw and 3D-printed porous fusion sleeve, which is designed to promote osseointegration, permanent SI joint fusion, and long-term stability.

Granite is the only device CMS identified for this indication in connection with the new MS-DRGs. SI-BONE is not aware of another device or technology that CMS has reviewed or described in public rulemaking in the same manner.

Q11. Do the new MS-DRGs 523–525 apply to all adjunctive SI joint fusion procedures, regardless of the implant used or the ICD-10-PCS code reported?

A. No. CMS evaluated spinal fusion cases broadly, including cases reported with generic SI joint fusion ICD-10-PCS codes. However, CMS did not reassign all SI joint fusion procedures to the new MS-DRGs. It specifically reassigned the four ICD-10-PCS new technology codes that identify SI joint fusion performed with the iFuse Bedrock Granite® Implant System.

The presence of SI joint fusion alone therefore does not place a case into MS-DRGs 523–525. Assignment depends on the specific ICD-10-PCS codes reported and whether the case meets the complete grouping criteria for the new MS-DRGs.

Q12. Will Onyx cases map to the new MS-DRGs?

A. The iFuse Granite Onyx® Implant System is used in place of traditional pedicle screw implants based on clinical need. Onyx is not one of the technologies CMS identified as independently qualifying a case for MS-DRGs 523–525, and CMS has not created a separate device-specific procedure code for Onyx. Therefore, the presence of Onyx alone does not trigger assignment to the new MS-DRGs.

However, a construct that includes Onyx may still group to MS-DRGs 523-525 when either:

1. The overall construct meets CMS's extensive fusion threshold based on the number of levels fused (see Q7); or
2. Granite is used at the base of the same construct to perform SI joint fusion, qualifying the case through the device-based pathway even when the level count alone does not meet the extensive-fusion threshold.

Practical Next Steps

Q13. What should hospitals do to prepare?

A. Before October 1, 2026, hospitals should confirm that their encoder, grouper, billing, and analytics systems incorporate FY 2027 MS-DRG Version 44.0 logic. They should also:

- verify that Granite part numbers are accurately mapped in internal systems to support device identification;
- educate clinical documentation, Health Information Management (HIM), and coding teams on documenting and coding the number of vertebral levels fused and the applicable Section X codes when Granite is used; and
- test representative cases to confirm accurate coding and MS-DRG assignment under the complete grouper logic.

ICD-10-PCS code selection must remain based on the operative documentation and applicable coding guidelines, rather than product mapping alone. CMS's MS-DRG Definitions Manual contains the complete grouper logic used for assignment.

Q14. Where can hospitals get help with coding or reimbursement questions?

A. SI-BONE's Area Reimbursement Management Team can help with coding, billing, and reimbursement questions related to iFuse Bedrock Granite or iFuse Granite Onyx procedures: email HealthPolicy@si-bone.com, or si-bone.com/providers/reimbursement.

For official coding and payment policy, hospitals and coders should refer to the FY 2027 IPPS final rule as published in the Federal Register and the corresponding ICD-10-CM/PCS MS-DRG Definitions Manual on the CMS website.

Additional questions? Connect with our Area Reimbursement Management Team.

Phone **1-800-710-8511**

Email **HealthPolicy@SI-BONE.com**

Website **https://si-bone.com/providers/reimbursement/**

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Appropriate site of care to be determined by the treating physician based on the procedure and medical needs of the patient.

The ***iFuse Bedrock Granite ® Implant System*** is intended for sacroiliac joint fusion in skeletally mature patients for the following conditions:

- Sacroiliac joint dysfunction that is a direct result of sacroiliac joint disruption and degenerative sacroiliitis. This includes conditions whose symptoms began during pregnancy or in the peripartum period and have persisted postpartum for more than 6 months.
- To augment immobilization and stabilization of the sacroiliac joint in patients undergoing sacropelvic fixation as part of a lumbar or thoracolumbar fusion.
- Acute, non-acute, and non-traumatic fractures involving the sacroiliac joint

When connected to compatible pedicle screw systems with 5.5- or 6.0-mm posterior rods made from either titanium alloy or cobalt chrome alloys, the iFuse Bedrock Granite Implant System is intended to provide immobilization and stabilization of spinal segments in skeletally mature patients as an adjunct to thoracolumbosacral fusion for the following acute and chronic instabilities or deformities of the thoracic, lumbar, and sacral spine:

- Degenerative disc disease (DDD) as defined by back pain of discogenic origin with degeneration of the disc confirmed by patient history and radiographic studies
- Spondylolisthesis
- Trauma (i.e., fracture or dislocation)
- Spinal stenosis
- Deformities or curvatures (i.e., scoliosis, kyphosis, and/or lordosis)
- Spinal tumor
- Pseudarthrosis
- Failed previous fusion

When connected to compatible pedicle screw systems with 5.5- or 6.0-mm posterior rods made from either titanium alloy or cobalt chrome alloys, the iFuse Bedrock Granite Implant System is intended to provide immobilization and stabilization of spinal segments in skeletally immature patients as an adjunct to thoracolumbar fusion for the treatment of progressive spinal deformities (i.e., scoliosis, kyphosis, or lordosis) including idiopathic scoliosis, neuromuscular scoliosis, and congenital scoliosis, as well as the following conditions: spondylolisthesis/spondylolysis, fracture caused by tumor and/or trauma, pseudarthrosis, and/or failed previous fusion. These devices are to be used with autograft and/or allograft. Pediatric pedicle screw fixation is limited to a posterior approach.
The iFuse Bedrock Granite Navigation instruments are intended to be used with the iFuse Bedrock Granite Implant System and the Medtronic StealthStation System to assist the surgeon in precisely locating anatomical structures in iFuse Bedrock Granite Implant System procedures, in which the use of stereotactic surgery may be appropriate, and where reference to a rigid anatomical structure, such as the pelvis or vertebra, can be identified relative to the acquired image (CT, MR, 2D fluoroscopic image or 3D fluoroscopic image reconstruction) and/or an image data-based model of the anatomy.
The Granite iGPS instruments and iGPS Drill Bits are compatible with Globus ExcelsiusGPS® Instrument Trackers and intended to be used with the iFuse Bedrock Granite Implant System and the Globus ExcelsiusGPS® Robotic Navigation System (including the Globus Excelsius3D® Imaging System), which is intended for use as an aid for precisely locating anatomical structures and for spatial positioning and orientation of an instrument holder or guide tube to be used by surgeons for navigating and/or guiding compatible surgical instruments in open or percutaneous procedures provided that the required fiducial markers and rigid patient anatomy can be identified on CT scans or fluoroscopy.
Use of the iGPS instruments is limited to use only with the 9.5 mm and 10.5 mm iFuse Bedrock Granite implants.

When connected to compatible pedicle screw systems with 5.0-, 5.5- or 6.0-mm posterior rods made from either titanium alloy or cobalt chrome alloys, the ***iFuse Granite Onyx™ Implant System*** is intended to provide immobilization and stabilization of spinal segments in skeletally mature patients as an adjunct to fusion in the treatment of the following acute and chronic instabilities or deformities of the thoracic, lumbar, and sacral spine:

- degenerative disc disease (DDD) as defined by back pain of discogenic origin with degeneration of the disc confirmed by patient history and radiographic studies
- spondylolisthesis
- trauma (i.e., fracture or dislocation)
- spinal stenosis
- deformities or curvatures (i.e., scoliosis, kyphosis, and/or lordosis)
- spinal tumor
- pseudarthrosis, and/or
- failed previous fusion.

When connected to compatible pedicle screw systems with 5.0- , 5.5- or 6.0- mm posterior rods made from either titanium alloy or cobalt chrome alloys, the iFuse Granite Onyx Implant System is intended to provide immobilization and stabilization of spinal segments in skeletally immature patients as an adjunct to fusion for the treatment of progressive spinal deformities (i.e., scoliosis, kyphosis, or lordosis) including idiopathic scoliosis, neuromuscular scoliosis, and congenital scoliosis, as well as the following conditions: spondylolisthesis/spondylolysis, fracture caused by tumor and/or trauma, pseudarthrosis, and/or failed previous fusion. These devices are to be used with autograft and/or allograft. Pediatric pedicle screw fixation is limited to a posterior approach.
Please refer to the additional information section in the Instructions for Use on compatible pedicle screw system rods.
The iFuse Granite Onyx Navigation instruments are intended to be used with the iFuse Granite Onyx Implant System and the Medtronic StealthStation System to assist the surgeon in precisely locating anatomical structures in iFuse Granite Onyx Implant System procedures, in which the use of stereotactic surgery may be appropriate, and where reference to a rigid anatomical structure, such as the pelvis or vertebra, can be identified relative to the acquired image (CT, MR, 2D fluoroscopic image or 3D fluoroscopic image reconstruction) and/or an image data-based model of the anatomy.
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For Use for indications, contraindications, warnings, and precautions at si-bone.com/label.
There are potential risks associated with iFuse procedures. They may not be appropriate for all patients, and all patients may not benefit. For information about the risks, visit si-bone.com/risks.

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