

n00311

Benign Skin, Subcutaneous, and Oral Lesions

Values

Accountability • Integrity • Service Excellence • Innovation • Collaboration

Abstract Purpose:

This policy provides guidance for the utilization management team of Network Health Plan/Network Health Insurance Corporation/Network Health Administrative Services, LLC (NHP/NHIC/NHAS) with the review of requests for the treatment and removal of benign skin lesions, subcutaneous lesions and/or oral skin lesions.

Policy Detail:

Refer to the appropriate Certificate of Coverage, Evidence of Coverage, Summary Plan Description, Individual and Family Policy to determine eligibility and coverage. Employer group and government contracts may vary. Network Health Plan/Network Health Insurance Corporation/Network Health Administrative Services LLC follows Medicare's National/Local (Wisconsin area) Coverage Determinations for its Medicare Advantage membership.

I. Description

- A. The skin is an anatomically complex organ subject to a wide spectrum of skin lesions that may be benign or potentially malignant in nature. It is important to assess skin lesions when they are noticed on exam to determine if they pose a threat to the health of the member. Removal of a benign skin lesion or subcutaneous skin lesion at the request of the member without verification by a physician that the removal is medically necessary is considered a cosmetic procedure.
- B. The medical indications of this policy also include requests for oral skin lesions for review.

II. Medical Indications:

- A. Removal of a benign or subcutaneous skin or oral lesion is considered medically necessary when one of the following is present:
 1. The lesion is suspicious for malignancy (e.g., atypical dysplastic nevi, actinic keratosis, probable basal or squamous cell carcinoma) or has a known tendency for malignant change to occur, **OR**
 2. The lesion clinically restricts vision or obstructs an orifice, **OR**
 3. There is a personal or family history of melanoma, **OR**
 4. The lesion is presumably benign **AND**
 - a. grows or enlarges; exhibits spotty pigmentation (color) changes and/or irregular margins; **OR**
 - b. begins to bleed or ulcerate; **OR**
 - c. becomes significantly inflamed, infected, itchy, or painful; **OR**

- d. is in an area of chronic irritation (examples: skin folds, groin, scalp, breasts, or neckline)

III. Coverage:

- A. Treatment of benign and/or subcutaneous skin/oral lesions/cysts is a covered benefit and deemed medically necessary per the criteria listed above.
- B. NHP/NHIC/NHAS follows the criteria within the policy for application to its Medicare Advantage membership. Local Coverage Article A54602 is referenced for removal of benign and/or subcutaneous skin lesions. In the absence of a Medicare National or Local Coverage Determination, this medical policy applies to our Medicare Advantage members.

IV. Limitations/Exclusions:

- A. Benign and subcutaneous skin/oral lesion removal and treatment are not a covered benefit when performed at the request of the member for cosmetic reasons.
- B. Network Health follows CMS National Coverage Determinations (NCD) and Local Coverage Determinations (LCD) for application to its Medicare Advantage membership.

V. References:

- A. Centers for Medicare and Medicaid Services (CMS) National Coverage Determination 250.4, Treatment of Actinic Keratosis (AK), effective 11/26/2001; updated 02/2018.
- B. Centers for Medicare and Medicaid Services (CMS) Local Coverage Article A54602, Removal of Benign Skin Lesions, effective 10/1/2015, revision effective 01/01/2024.
- C. MCG Health, Ambulatory Care 27th Edition Malignant Melanoma and Pigmented Skin Lesions Referral Management, RMG: R-0124(AC)
- D. MCG Health, Ambulatory Care 27th Edition Squamous Cell Carcinoma and Actinic Keratosis Referral Management, RMG: R-0129(AC)
- E. U.S. Preventative Services Task Force. Screening for Skin Cancer: Recommendation Statement JAMA 2023;329(15):1290-1295. doi:10.1001/jama.2023.4342.

Regulatory Citations:

UM2

Related Documents:

CPT Codes:*

11102	Shave biopsy
11103	Shave biopsy each additional lesion
11104	Punch Biopsy
11105	Punch biopsy each additional lesion
11106	Incisional biopsy of skin (e.g. Wedge, including simple closure, when performed), single lesion
11107	Incisional biopsy of skin (e.g. Wedge, including simple closure, when performed), each additional lesion
11200	Removal of skin tags up to 15 lesions

11201	Removal of skin tags for each additional block (above 15 lesion), up to 10 more
17110	Destruction of benign lesion (seborrheic keratoses and warts) to treat up to 14 lesions
17003	Destruction of benign lesion (seborrheic keratoses and warts) to treat 15 or more lesions
40820	Destruction of benign and premalignant lesions of the mouth
67850	Destruction of benign and premalignant lesions of the eyelid
	*CPT codes are subject to change as codes are retired or new ones developed. List is not comprehensive. Additional CPT codes may be covered under this medical policy if the medical necessity criteria is met.

Contract language as well as state and federal laws take precedence over any medical policy. Network Health coverage documents (i.e. Certificate of Coverage, Evidence of Coverage, Summary Plan Descriptions) outline contractual terms of the applicable benefit plan for each line of business and will be considered first in determining eligibility. Not all Network Health coverage documents are the same. Coverage may differ. Our Medicare membership follows applicable Centers for Medicare and Medicaid Services (CMS) coverage statements including National Coverage Determinations (NCD) and Local Coverage Determinations (LCD). Please refer to the CMS website at www.cms.gov.

Network Health reserves the right to review and update our medical policies on occasion as medical technologies are constantly evolving. The documentation of any brand name of a test, product and/or procedure in a medical policy is in no way an endorsement of that product; it is for reference only. Network Health’s medical policies are for guidance and not intended to prevent the judgment of the reviewing medical director(s) nor dictate to health care providers how to practice medicine.

Origination Date: 03/27/1997	Approval Date: 02/15/2024	Next Review Date: 02/15/2025
Regulatory Body: NCQA	Approving Committee: Medical Policy Committee	Policy Entity: NHAS,NHIC,NHP
Policy Owner: Rachell Hall	Department of Ownership: Population Health Management	Revision Number: 8
Revision Reason: 08/31/2016 Transferred to new policy template 03/16/2017 Annual Review 03/15/2018 Annual Review 03/21/2019 Annual Review 03/19/2020 Annual Review 02/17/2021 Annual Review-title change, grammar, formatting, updated references, CPT codes and disclaimer added 02/17/2022 Annual Review, grammar, formatting, references updated, CPT code disclaimer added (MPC approved 2/17/2022) Approved by Medical Policy Committee on 02/17/2022 03/16/2023 – Annual Review, references updated, minor grammar and formatting. Approved at Medical Policy Committee 3/16/2023) 2/15/2024: Annual review, references updated.		

Meeting: Utilization Management Committee	Date: 2/15/2024
Title/Topic: Medical Policy – Benign Skin, Subcutaneous, and Oral Lesions	Policy Number: n00311
Purpose: Annual Review	Outcome: Choose an item.
Line of Business: Commercial and Medicare	Effective Date: 2/15/2024

INTRODUCTION:

Includes definition of problem or opportunity. Provides background information on the topic. Describes current state. May also include prior state and/or factors that have changed. Includes operational definitions where key terms may have varied interpretation.

The skin is an anatomically complex organ subject to a wide spectrum of skin lesions that may be benign or potentially malignant in nature. It is important to assess skin lesions when they are noticed on exam to determine if they pose a threat to the health of the member. Removal of a benign skin lesion, subcutaneous skin lesion or oral skin lesions at the request of the member without verification by an appropriate medical or dental provider, confirming that the removal is medically necessary, is considered a cosmetic procedure.

This medical policy provides guidance for Utilization Management Coordinator Registered Nurses (UMC-RN) regarding determinations involving the medical necessity of removal of benign skin and oral lesions. This policy is due for annual review.

ACTION RECOMMENDED:

States recommendations in specific terms. Includes a summary of what should be accomplished, methods, and timetable (if applicable). Recommendations on implementation and follow-up plans may also be included.

Annual review has been conducted and the Benign Skin, Subcutaneous, and Oral Lesions medical policy is presented for review and approval as written.

No changes were made to the intention or utilization guidance of this policy. Annual review was performed, a review and update of references was conducted, and CPT code verification was completed.

ANALYSIS/JUSTIFICATION:

Includes information relevant to the recommended action including information used in formulation the recommendations. Information will include reference to any existing Centers for Medicare & Medicaid Services (CMS) coverage determinations as well as any existing established vendor criteria. Information may include financial/cost data, service measures, projections or other key measures or process tools, recommendations from a clinical provider with expertise regarding the topic, and/or information from other widely used treatment guidelines or peer reviewed clinical literature.

Removal of certain benign skin and oral lesions that do not pose a threat to health or function may be considered cosmetic. As such, coverage is not covered by the Medicare program and is excluded from coverage in the Commercial plan coverage documents.

MCG addresses the referral management for an individual diagnosed with a skin malignancy or skin lesion with high-risk features to the appropriate medical provider but does not provide specific guidance addressing the removal of benign lesions. MCG does not provide specific guidance surrounding the removal of benign oral lesions.

In the absence of a Centers for Medicare & Medicaid Services (CMS) national coverage determination (NCD) or local coverage determination (LCD), NHP/NHIC/NHAS follows the medical policy criteria for application to its Medicare Advantage membership.

REFERENCES:

Includes detailed description regarding source(s) of information used for development of policy or recommendations via citation.

- Centers for Medicare and Medicaid Services (CMS) National Coverage Determination 250.4, Treatment of Actinic Keratosis (AK), effective 11/26/2001; updated 02/2018.
- Centers for Medicare and Medicaid Services (CMS) Local Coverage Article A54602, Removal of Benign Skin Lesions, effective 10/1/2015, revision effective 01/01/2024.
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REVISION REASON:

Includes the date changes or updates were made and summary of changes applied.

02/15/2024- Annual review was completed, CMS, MCG and the U.S. Preventative Services Task Force Screening for Skin Cancer Recommendation Statement were reviewed for guidance and updates.

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