

Meeting: Utilization Management Committee	Date: 2/20/2025
Title/Topic: Medical Policy – Benign Skin, Subcutaneous, and Oral Lesions	Policy Number: n00311
Purpose: Annual Review	Outcome: Accept with changes as outlined
Line of Business: Commercial and Medicare	Effective Date: 2/20/2025

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.
- MCG Health, Ambulatory Care 29th Edition Malignant Melanoma and Pigmented Skin Lesions Referral Management, RMG: R-0124 (AC)
- MCG Health, Ambulatory Care 29th Edition Squamous Cell Carcinoma and Actinic Keratosis Referral Management, RMG: R-0129 (AC)
- U.S. Preventative Services Task Force. Screening for Skin Cancer: Recommendation Statement JAMA 2023;329(15):1290-1295. doi:10.1001/jama.2023.4342.

REVISION REASON:

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

02/20/2025- 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. Added in NH TPA as a covered LOB.

Disclaimer:

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.