

## Clinical Policy: Benign Skin Lesion Removal

Reference Number: CA.CP.MP.150 Effective Date: 6/04 Last Review Date: 10/23

Coding Implications Revision Log

# See <u>Important Reminder</u> at the end of this policy for important regulatory and legal information.

Medicare NCD 250.4	Treatment of Actinic Keratosis
Medicare LCD L34233	Billing and Coding: Benign Skin Lesion Removal

## Description

This policy describes the medical necessity guidelines for removal of benign skin lesions. This refers to non-cancerous growths that have become problematic depending on potential changes in their characteristics, the size, location, pressure on nearby blood vessels, nerves or organs.

### **Policy/Criteria**

- **I.** It is the policy of California Health & Wellness that removal of benign skin lesions is medically necessary, and not cosmetic, when any of the following is met and is clearly documented in the medical record:
  - A. The lesion is symptomatic as documented by any of the following:
    - 1. Intense itching; or
    - 2. Burning; or
    - 3. Irritation; or
    - 4. Pain; or
    - 5. Tenderness; or
    - 6. Chronic, recurrent or persistent bleeding; or
    - 7. Physical evidence of inflammation (e.g., purulence, oozing, edema, erythema, etc.).
    - B. The lesion demonstrates a significant change in color or size;
    - C. The lesion obstructs an orifice or clinically restricts vision;
  - D. There is clinical uncertainty as to the likely diagnosis, particularly where malignancy is a realistic consideration based on lesional appearance, change in appearance and/or non-response to conventional treatment;
  - E. The lesion is likely to turn malignant as documented by medical peer-reviewed literature;
  - F. A biopsy suggests the possibility of lesional malignancy;
  - G. The lesion is in an anatomical region subjected to recurrent physical trauma that has in fact occurred and objective evidence of such injury or the potential for such injury is documented.
  - H. In addition to any indication in A-G above, wart removal is also necessary for any of the following:
    - 1. Periocular warts associated with chronic recurrent conjunctivitis thought secondary to lesion virus shedding; or
    - 3. Warts showing evidence of spread from one body area to another, particularly in immunosuppressed patients; or



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- 4. Lesions are condyloma acuminate, or
- 5. Cervical dysplasia or pregnancy associated with genital warts.
- **II.** It is the policy of California Health & Wellness that removal of benign skin lesions is not medically necessary for any of the following:
  - A. Lesions in sensitive anatomic locations that are non-problematic do not qualify for removal coverage on the basis of location alone; or
  - B. Rosacea
- **III.** It is the policy of California Health & Wellness that the following treatments for the destruction of correctly diagnosed actinic keratoses, also known as solar keratoses, are medically necessary as they are considered to be premalignant lesions with a low but real possibility of malignant transformation:
  - A. Liquid nitrogen cryotherapy
    - 1. Most common treatment, usually recommended for treatment of solitary lesions or small numbers of scattered lesions and/or thin, well-demarcated lesions
  - B. Topical drug therapy (e.g. 5-fluorouracil, Imiquimod, Diclofenac, ingenol mebutate gel) See pharmacy policy on Fluorouracil Cream
  - C. Any of the following treatment for multiple actinic keratoses is considered medically necessary when there is failure to adequately respond to topical 5-FU or cryosurgery:
    - 1. Laser skin resurfacing therapy
    - 2. Chemical peel
    - 3. Dermabrasion
- **IV.** It is the policy California Health & Wellness that photodynamic therapy (PDT) with topical aminolevulinic acid (Levulan Kerastick) and exposure to blue light is medically necessary for non-hyperkeratotic actinic keratoses of the face and scalp. Repeat treatment may be necessary after 8 weeks.
- V. It is the policy of California Health & Wellness that photodynamic therapy (PDT) with topical aminolevulinic acid (e.g. Ameluz, Metvixia) followed by exposure to a red light source is medically necessary when other therapies are unacceptable or considered medically less appropriate.
- **VI.** It is the policy of California Health & Wellness that electrodessication and curettage or fullthickness excision of actinic keratoses is rarely medically necessary. However, excisional biopsy of actinic keratoses (AKS) may be considered medically necessary when the following criteria are met:
  - A. There is bleeding, induration, rapid growth or pain, which suggest progression to squamous cell carcinoma; and
  - B. The lesion does not respond to treatment.
- **VII.** It is the policy of California Health & Wellness that removal of skin lesions to improve appearance is not medically necessary. Removal of certain benign skin lesions that do not pose a threat to health or function are considered cosmetic, and as such, are not medically



necessary. In the absence of any of the above indications, removal of seborrheic keratoses, sebaceous cysts, nevi (moles) or skin tags is considered cosmetic.

## Background

Benign skin lesions include seborrheic keratoses, sebaceous (epidermoid) cysts, skin tags, milia (keratin-filled cysts), nevi (moles), acquired hyperkeratosis (keratoderma), papillomas, hemangiomas and viral warts. Lesions that are suspicious for malignancy, those with changing characteristics or symptomatic lesions may warrant various procedures (e.g., excision, cryosurgery, laser ablation, etc.), and possible referral to a specialist.

Photodynamic therapy (PDT) for dermatological conditions such as pre cancer and cancer itself refers to a two step process in which a drug photosenitizer is administered to a specific area of diseased tissue then light activation is applied to activate the drug and destroy the target tissue. Two common photosensitizing agents are 5-aminolevulinic acid (5-ALA) and its methyl ester, methyl aminolevulinate (MAL).

The National Institute for Health and Care Excellence (2006) has a Guidance on 'Photodynamic therapy for non-melanoma skin tumours (including premalignant and primary non-metastatic skin lesions)' which makes the following recommendations: evidence of efficacy for photodynamic therapy for the treatment of basal cell carcinoma, Bowen's disease and actinic (solar) keratosis is adequate to support its use for these conditions, provided that the normal arrangements are in place for consent, audit and clinical governance.

The British Journal of Dermatology (McKenna et al 2008) notes that with evidence there is recommendations and clinical indications for: topical photodynamic therapy in dermatology, for thin and moderate thickness actinic keratoses, Bowen's disease and superficial basal cell carcinoma. These are rated with strength of recommendation A, and quality of evidence 1, which refers to a strong recommendation that Clinicians should follow unless a clear and compelling rationale for an alternative approach is present.

Eisen et al in the American Academy of Dermatology (2021) Guideline for the Care and Management of Actinic Keratosis it was concluded to consider strong recommendations for using ultraviolet protection, topical imiquimod, topical 5-fluorouracil, and cryosurgery. Conditional recommendations are made for the use of photodynamic therapy and diclofenac for the treatment of AK, both individually and as part of combination therapy regimens.

There is insufficient published peer-reviewed evidence to support the removal of benign skin lesions, including rosacea or vascular proliferative lesions in sensitive anatomic locations that are non-problematic. In addition, studies have noted that removal of skin lesions to improve the appearance alone, would be considered cosmetic.

## **Coding Implications**

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CPT®	Description
Codes	
11200	Removal of skin tags, multiple fibrocutaneous tags, any area; up to and
	including 15 lesions
11201	each additional ten lesions (List separately in addition to code for primary
	procedure
11300	Shaving of epidermal or dermal lesions, single lesion, trunk, arms or legs;
	lesion diameter 0.5 cm or less
11301	lesion diameter 0.6 to1.0 cm
11302	lesion diameter 1.1 to 2.0 cm
11303	lesion diameter over 2.0 cm
11305	Shaving of epidermal or dermal lesion, single lesion, scalp, neck, hands,
	genitalia; lesion diameter 0.5 cm
11306	lesion diameter 0.6 to 1.0 cm
11307	lesion diameter 1.1 to 2.0 cm
11308	lesion diameter over 2.0 cm
11310	Shaving of epidermal or dermal lesion, single lesion, face, ears, eyelids, nose,
	lips, mucous membrane; lesion diameter 0.5 cm or less
11311	lesion diameter 0.6 to 1.0 cm
11312	lesion diameter 1.1 to 2.0 cm
11313	lesion diameter over 2.0 cm
11400	Excision, benign lesion including margins, except skin tag (unless listed
	elsewhere), trunk, arms or legs; excised diameter 0.5 or less
11401	excised diameter 0.6 to 1.0 cm
11402	excised diameter 1.1 to 2.0 cm
11403	excised diameter 2.1 to 3.0 cm
11404	excised diameter 3.1 to 4.0 cm
11406	excised diameter over 4.0 cm
11420	Excision, benign lesion including margins, except skin tag (unless listed
	elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 0.5 cm or less
11421	excised diameter 0.6 to 1.0 cm
11422	excised diameter 1.1 to 2.0 cm
11423	excised diameter 2.1 to 3.0 cm
11424	excised diameter 3.1 to 4.0 cm
11426	lesion diameter over 4.0 cm
11440	Excision, other benign lesion including margins(unless listed elsewhere), face,
	ears, eyelids, nose, lips, mucous membrane; excised diameter 0.5 cm or less

#### Not an all inclusive list



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<b>CPT®</b>	Description	
Codes		
11441	excised diameter 0.6 to 1.0 cm	
11442	excised diameter 1.1 to 2.0 cm	
11443	excised diameter 2.1 to 3.0 cm	
11444	excised diameter 3.1 to 4.0 cm	
11446	excised diameter over 4.0 cm	
12001-	Simple repair of superficial wounds of scalp, neck, axillae, external genitalia,	
12007	trunk and or extremities (including hands and feet); 2.5cm or less - over 30cm	
12011-	Superficial repair of superficial wounds of face, ears, eyelids, nose, lips and/or	
12018	mucous membranes; 2.5cm or less - over 30cm	
12031-	Repair, intermediate, wounds of scalp, axillae, trunk and/or	
12037	extremities (excluding hands and feet); 2.5 cm or less to 30.0 cm	
12041-	Repair, intermediate, wounds of neck, hands, feet and/or external genitalia; 2.5	
12047	cm or less -over 30 cm	
12051-	Repair, intermediate, wounds of face, ears, eyelids, nose, lips and/or	
12057	mucous membranes; 2.5 cm or less- over 30 cm.	
13100	Repair, complex, trunk; 1.1 cm to 2.5 cm	
13102	each additional 5 cm or less (List separately in addition to code for primary	
	procedure)	
13120	Repair, complex, scalp, arms and/or legs:1.1.cm to 2.5 cm	
13121	each additional 5 cm or less (List separately in addition to code for primary	
	procedure)	
13131	Repair, complex, forehead, cheek, chin, mouth, neck, axillae, genitalia, hands	
	and/or feet; 1.1 cm to 2.5 cm	
13132	2.6 cm to 7.5 cm	
13133	each additional 5 cm or less (List separately in addition to code for primary	
	procedure)	
13150	Repair, complex, eyelids, nose, ears and/or lips; 1.0 cm or less (Code deleted	
	in 2015)	
13151	Repair, complex, eyelids, nose, ears and/or lips; 1.1 cm to 2.5cm	
13152	2.6 cm to 7.5 cm	
13152	each additional 5 cm or less	
13160	Secondary closure of surgical wound or dehiscence, extensive or complicated	
14000	Adjacent tissue transfer or rearrangement, trunk; defect 10 sq cm or less	
14001	defect 10.1 sq cm to 30 sq cm	
14020	Adjacent tissue transfer or rearrangement, scalp, arms and/or legs; defect 10 sq	
11020	cm or less	
14021	defect 10.1 sq cm to 30 sq cm	
14040	Adjacent tissue transfer or rearrangement, forehead, cheeks, chin, mouth,	
	neck.	
	axillae, genitalia, hands and/or feet; defect 10 sq cm or less	
14041	defect 10.1 sq cm to 30 sq cm	
14060	Adjacent tissue transfer or rearrangement, eyelids nose, ears and/or lips; defect	
11000	requeent ussue transfer of rearrangement, cyclics hose, cars and/of hps, defect	



CPT®	Description
Codes	
	10sq cm or less
14061	defect 10.1 sq cm to 30 sq cm
14301	Adjacent tissue transfer or rearrangement, any area; defect 30.1 sq cm to 60.0
	sq cm
14302	Adjacent tissue transfer or rearrangement, each additional 30.0 sq cm. Or part
	thereof (List separately in addition to code for primary procedure)
17000	Destruction (e.g., laser surgery, electrosurgery, cryosurgery, chemosurgery,
	surgical curettement), premalignant lesions (e.g., actinic keratoses); first lesion
17003	second through 14 lesions, each (List separately in addition to code for first
	lesion)
17004	Destruction (e.g., laser surgery, electrosurgery, cryosurgery, chemosurgery,
	surgical curettement) premalignant lesions (e.g., actinic keratoses); 15 or more
	lesions
17110	Destruction (e.g., laser surgery, electrosurgery, cryosurgery, chemosurgery,
	surgical curettement), of benign lesions other than skin tags or cutaneous
	vascular proliferative lesions; up to 14 lesions
17111	15 or more lesions
54050 -	Destruction of lesion(s), penis (eg, condyloma, papilloma, molluscum
54065	contagiosum, herpetic vesicle)
56501 -	Destruction of lesion(s), vulva
56515	
57061 -	Destruction of vaginal lesion(s)
57065	
96567	Photodynamic therapy by external application of light to destroy premalignant
	and/or malignant lesions of the skin and adjacent mucosa (e.g.lip) by
	activation of photosensitive drug(s), each phototherapy exposure session
96573	Photodynamic therapy by external application of light to destroy pre-
	hyphenmalignant and/or malignant lesions of the skin and adjacent mucosa
	(e.g., lip) by activation of photosensitive drug(s), each phototherapy exposure
	session [red light]
96574	Debridement of premalignant hyperkeratotic lesion(s) (ie, targeted curettage,
	abrasion) followed with photodynamic therapy by external application of light
	to destroy premalignant lesions of the skin and adjacent mucosa with
	application and illumination/activation of photosensitizing drug(s) provided by
	a physician or other qualified health care professional, per day

HCPCS	Description
Codes	
J3490	Unclassified drugs
J7308	Aminolevulinic acid HCL for topical administration
J7309	Methyl aminolevulinate (MAL) for topical administration,



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HCPCS	Description	
Codes		
J7345	Aminolevulinic acid hcl for topical administration,	
J9190	Injection, fluorouracil, 500 mg (Use this code for Adrucil)	

## ICD-10-CM Diagnosis Codes that Support Coverage Criteria

ICD-10-CM	Description
Code	
A63.0	Anogenital (venereal) warts
B07.0-B07.9	Viral warts
D040	Carcinoma in situ of skin [Bowen's disease, lentigo maligna]
D10.0	Benign neoplasm of lip
D17.0-D17.9	Benign lipomatous neoplasm
D18.01	Hemangioma of skin and subcutaneous tissue
D21.0-D21.9	Other benign neoplasm of connective and other soft tissue
D22	Melanocytic nevi
D23.0-D23.9	Other benign neoplasm of skin
D36	Benign neoplasm of other and unspecified sites
D37.01	Neoplasm of uncertain behavior of lip
D48.5	Neoplasm of uncertain behavior of skin
D49.2	Neoplasm of unspecified behavior of bone, soft tissue, and skin
H02.821-	Cysts of eyelid
H02.829	
I78.1	Nevus, non-neoplastic
L72.0	Epidermal cyst
L72.3	Sebaceous cyst
L11.0	Acquired keratosis follicularis
L20.0-L20.9	Atopic dermatitis
L29.0-L29.9	Pruritus
L53.8-L53.9	Other specified erythematous conditions
L57.0	Actinic keratosis
L72.3	Sebaceous cyst
L82.0-L82.1	Seborrheic keratosis
L85.1	Acquired keratosis [keratoderma] palmaris et plantaris
L85.2	Keratosis punctata (palmaris et plantaris)
L98.0	Pyogenic granuloma
L98.9	Disorder of the skin and subcutaneous tissue, unspecified
Q17.0	Accessory auricle
R20.0-R20.9	Disturbances of skin sensation



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Reviews, Revisions, and Approvals	Date	Approval Date	
Initial Approval		6/04	
Revised position on actinic keratosis		5/06	
Added PDT with topical Metvixia, followed by exposure to a red light source as medically necessary for treatment of Actinic Keratoses, when criteria is met for commercial members		9/09	
Removed requirement of topical 5-FU or cryosurgery prior to photodynamic therapy with topical aminolevulinic acid (Levulan Kerastick) and exposure to blue light for non-hyperkeratotic actinic keratoses of the face and scalp		11/09	
Added ingenol mebutate gel to list of topical therapies approved for treatment of Actinic keratoses. Code updates		8/13	
Updates with no changes		8/14	
		8/15	
		8/16	
		8/17	
Added CPT codes and J codes for Aminolevulinic acid gel		8/18	
No changes	8/19	8/19	
Removed molluscum contagiosum from I.H.4 and ICD-10 code section as this condition doesn't require excision but responds to other treatment		9/19	
Added codes		10/20	
No changes	10/21	10/21	
Removed II. C vascular prolferative disorders as this is included in the Cosmetic and Reconstructive Surgery policy Added references		10/22	
Added reference to pharmacy policy in section III.B Added Medicare NCD and LCD for Medicare members	10/23	10/23	

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- NCD/LCD: National Coverage Determination (NCD) for Treatment of Actinic Keratosis (250.4) and LCD for Billing and Coding for Benign Skin Lesions
- Eisen DB, Asgari MM, Bennett DD, et al. Guidelines of care for the management of actinic keratosis. Journal of the American Academy of Dermatology. 2021;0(0). doi:10.1016/j.jaad.2021.02.082

## **Important Reminder**

This clinical policy has been developed by appropriately experienced and licensed health care professionals based on a review and consideration of currently available generally accepted standards of medical practice; peer-reviewed medical literature; government agency/program approval status; evidence-based guidelines and positions of leading national health professional organizations; views of physicians practicing in relevant clinical areas affected by this clinical policy; and other available clinical information. The Health Plan makes no representations and accepts no liability with respect to the content of any external information used or relied upon in developing this clinical policy. This clinical policy is consistent with standards of medical practice current at the time that this clinical policy was approved. "Health Plan" means a health plan that has adopted this clinical policy and that is operated or administered, in whole or in part, by Centene Management Company, LLC, or any of such health plan's affiliates, as applicable.

The purpose of this clinical policy is to provide a guide to medical necessity, which is a component of the guidelines used to assist in making coverage decisions and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage decisions and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable Health Plan-level administrative policies and procedures.



This clinical policy is effective as of the date determined by the Health Plan. The date of posting may not be the effective date of this clinical policy. This clinical policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this clinical policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. The Health Plan retains the right to change, amend or withdraw this clinical policy, and additional clinical policies may be developed and adopted as needed, at any time.

This clinical policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members. This clinical policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

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**Note: For Medicaid members**, when state Medicaid coverage provisions conflict with the coverage provisions in this clinical policy, state Medicaid coverage provisions take precedence. Please refer to the state Medicaid manual for any coverage provisions pertaining to this clinical policy.

**Note: For Medicare members,** to ensure consistency with the Medicare National Coverage Determinations (NCD) and Local Coverage Determinations (LCD), all applicable NCDs and LCDs should be reviewed <u>prior to</u> applying the criteria set forth in this clinical policy. Refer to the CMS website at <u>http://www.cms.gov</u> for additional information.

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