



**Subject:** *Benign Skin and Subcutaneous Lesions*

**Number:** *200310-0003*

Effective date: 10/17/2003

Revision date(s): 06/2000, 06/2003, 10/07/2003

**Important note**

Even though this policy may indicate that a particular service or supply is considered covered, this conclusion is not based upon the terms of your particular benefit plan. Each benefit plan contains its own specific provisions for coverage and exclusions. Not all benefits that are determined to be medically necessary will be covered benefits under the terms of your benefit plan. You need to consult the *Evidence of Coverage* to determine if there are any exclusions or other benefit limitations applicable to this service or supply. If there is a discrepancy between this policy and your plan of benefits, the provisions of your benefits plan will govern. However, applicable state mandates will take precedence with respect to fully insured plans and self-funded non-ERISA (e.g., government, school boards, church) plans. Unless otherwise specifically excluded, federal mandates will apply to all plans. With respect to Medicare and Medicaid members, this policy will apply unless Medicare and Medicaid policies extend coverage beyond this Medical Policy and Criteria Statement. Medicare and Medicaid policies will only apply to benefits paid for under Medicare or Medicaid rules, and not to any other health benefit plan benefits. The Centers for Medicare and Medicaid's *Coverage Issues Manual* can be found on the following Web site: <http://www.cms.hhs.gov/manuals/pub06pdf/pub06pdf.asp>

**Overview**

Benign skin lesions are common and are frequently removed at the patient's request to improve appearance. Examples of benign skin lesions include seborrheic keratoses, sebaceous (epidermoid/epidermal) cysts, nevi (moles) and skin tags.

Actinic keratoses are a frequent consequence of many years of overexposure to sunlight. Most actinic keratoses lesions are asymptomatic. However, some may be sensitive or "tender" to touch.

Patients with sun-damaged skin are at an increased risk for the development of squamous cell carcinoma (cancer) within pre-existing actinic lesions. It can be difficult to clinically distinguish an actinic keratosis from a more invasive, early squamous cell carcinoma. Currently, there are no methods to determine when an actinic keratosis may develop into a squamous cell cancer. Therefore, it is appropriate to treat these premalignant lesions when they appear to prevent conversion to cancer and reduce the development of new lesions.

Actinic keratoses are removed by shaving, cryosurgery with liquid nitrogen, or less commonly, medical treatment with 5-fluorouracil.

**Policy and criteria**

**NOTE:** These services require prior authorization by the plan Medical Director.

**When services are covered:**

We cover removal as treatment for **any** of the following conditions:

- Actinic keratosis
- Lesions that are suspicious for malignancy or the tendency for malignant change, such as a large lipoma with a high suspicion of malignant change
- Warts
- Sebaceous (epidermoid/epidermal) cyst(s) that have been recently (within the past three months) infected or are at risk for recurrent infection

We cover removal as treatment for otherwise benign skin or subcutaneous lesions – seborrheic keratoses, sebaceous (epidermoid/epidermal) cysts and skin tags – when **any** of the following criteria is met:

- Skin lesions are causing symptoms, such as burning, itching, irritation, ulceration or bleeding.
- The lesion has evidence of inflammation, e.g., purulence, edema, erythema.
- Due to its anatomic location, the lesion has been subject to recurrent trauma.
- The lesion restricts vision or obstructs a body orifice.
- Lesion appears to be dysplastic or malignant (due to coloration, change in appearance or size, nodule formation, etc., especially in a patient with dysplastic nevus syndrome, history of melanoma, or family history of melanoma).
- Biopsy suggests or is indicative of premalignancy (dysplasia) or malignancy.

In addition, we can cover scar revision following traumatic injury, previous surgery or burns when a functional deficit exists **and** when provided as soon as medically feasible following the injury or surgery.

***When services are not covered:***

We **do not cover** services when the above criteria are not met *or* for any procedures or devices not listed above.

We **do not cover** the removal of benign skin lesions such as seborrheic keratosis, sebaceous cysts, skin tags, lipomas, noncongenital nevi, benign lentigos and xanthelasmas. These lesions have been shown to have negligible malignant potential and no intrinsic functional implications. Removals of such lesions are therefore a cosmetic procedure and not covered by the plan.

We **do not cover** services – medical and/or surgical – related to the following *cosmetic* indications:

- for reasons of appearance only
- asymptomatic cysts or lipomas
- chemical peel of/for any body area
- laser or ablative treatment of spider veins (e.g., telangiectasias)
- scar revision beyond a medically feasible time frame following injury or surgery
- surgical treatment – such as cautery, laser, cold knife or dermabrasion – of rosacea or rhinophyma
- treatment of acne, acne scars or chicken pox scars; including but may not be limited to dermabrasion, laser or chemical peel

**FCHP products to which this policy applies:**

- ⊕ FCHP Direct and FCHP Select Care (HMO)
- ⊕ FCHP Flex Care Direct and Select (POS)
- ⊕ Fallon Preferred Care (PPO)
- ⊕ FCHP MassHealth
- ⊕ Non-Group: FCHP Independent Care, Direct enrollment and Bill-at-home

Medicare plan – *reminder* to refer to CMS for policy and criteria

**Codes:**

Codes	Number	Description
CPT	11100	Biopsy of skin, subcutaneous tissue and/or mucous membrane (including simple closure), unless otherwise listed (separate procedure); single lesion
	11101	Biopsy of skin, subcutaneous tissue and/or mucous membrane (including simple closure), unless otherwise listed (separate procedure); each separate/additional lesion
	11200	Removal of skin tags, multiple fibrocutaneous tags, any area; up to and

		including 15 lesions
	11201	Removal of skin tags, multiple fibrocutaneous tags, any area; each additional 10 lesions
	11300 - 11313	Shaving of epidermal or dermal lesions, code range
	11400 - 11446	Excision of benign lesions, code range
	17000 - 17250	Destruction of benign or premalignant lesions, code range

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**Mandated benefit/Regulatory issues**

- Federal
- Commonwealth of Massachusetts
- Medicare – National policy
- Medicare – Local medical review policy
- Not applicable

**Committee review dates:**

Technology Assessment Committee: mm/yyyy  
 Utilization Management Committee: 06/2000, 06/2003

Approved by:	<i>Signature on file</i>	<i>11/20/2003</i>
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