

# LCD - Removal of Benign Skin Lesions (L35498)

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## Contractor Information

CONTRACTOR NAME	CONTRACT TYPE	CONTRACT NUMBER	JURISDICTION	STATES
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part A	05101 - MAC A	J - 05	Iowa
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part B	05102 - MAC B	J - 05	Iowa
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part A	05201 - MAC A	J - 05	Kansas
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part B	05202 - MAC B	J - 05	Kansas
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part A	05301 - MAC A	J - 05	Missouri - Entire State
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part B	05302 - MAC B	J - 05	Missouri - Entire State
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part A	05401 - MAC A	J - 05	Nebraska
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part B	05402 - MAC B	J - 05	Nebraska
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part A	05901 - MAC A	J - 05	Alabama Alaska Arizona Arkansas California - Entire State Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana Iowa Kansas Kentucky Louisiana

CONTRACTOR NAME	CONTRACT TYPE	CONTRACT NUMBER	JURISDICTION	STATES
				Maine Maryland Massachusetts Michigan Mississippi Missouri - Entire State Montana Nebraska Nevada New Hampshire New Jersey New Mexico North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part A	08101 - MAC A	J - 08	Indiana
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part B	08102 - MAC B	J - 08	Indiana
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part A	08201 - MAC A	J - 08	Michigan
<a href="#">Wisconsin Physicians Service Insurance Corporation</a>	MAC - Part B	08202 - MAC B	J - 08	Michigan

## LCD Information

# Document Information

**LCD ID**

L35498

**LCD Title**

Removal of Benign Skin Lesions

**Proposed LCD in Comment Period**

N/A

**Source Proposed LCD**

[DL35498](#)

**Original Effective Date**

For services performed on or after 10/01/2015

**Revision Effective Date**

For services performed on or after 10/26/2023

**Revision Ending Date**

N/A

**Retirement Date**

N/A

**Notice Period Start Date**

01/01/2015

**Notice Period End Date**

02/15/2015

## Issue

**Issue Description**

Updates were made due to Biannual review to CMS National Coverage Policy and Bibliography references with no change in coverage

## CMS National Coverage Policy

CMS Pub.100-02 Medicare Benefit Policy Manual, Chapter 16 - General Exclusions From Coverage, Section §120 - Cosmetic Surgery

CMS Pub. 100-03 Medicare National Coverage Determinations Manual-Chapter 1, Coverage Determinations, Part 4, Section 250.4 - Treatment of Actinic Keratosis

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Title XVIII of the Social Security Act, section 1862 (a)(1)(A). This section allows coverage and payment of those services that are considered to be medically reasonable and necessary.

CMS Transmittal No, 863, effective date October 3, 2018, Change Request 10901 Local Coverage Determinations (LCDs) Implementation date January 8, 2019.

## Coverage Guidance

### Coverage Indications, Limitations, and/or Medical Necessity

This policy addresses the Medicare coverage for the removal of benign skin lesions, such as seborrheic keratoses, sebaceous (epidermoid) cysts and skin tags. Benign skin lesions are common in the elderly and are frequently removed at the patient's request to improve appearance. Removal of certain benign skin lesions that does not pose a threat to health or function, are considered cosmetic and as such are not covered by the Medicare program.

#### A. Medical Indications

There may be instances in which the removal of non-malignant skin lesions is medically appropriate. Medicare will, therefore, consider their removal as medically necessary and not cosmetic, if one or more of the following conditions are present and clearly documented in the medical record:

1. The lesion has one or more of the following characteristics: bleeding, itching, pain; change in physical appearance (reddening or pigmentary change), recent enlargement, increase in number; or
2. The lesion has physical evidence of inflammation, e.g., purulence, edema, erythema; or
3. The lesion obstructs an orifice; or
4. The lesion clinically restricts vision; or
5. There is clinical uncertainty as to the likely diagnosis, particularly where malignancy is a realistic consideration based on the lesion appearance; or
6. A prior biopsy suggests or is indicative of lesion malignancy; or
7. The lesion is in an anatomical region subject to recurrent trauma, and there is documentation of such trauma.
8. Wart removals will be covered under the guidelines listed above. In addition, wart destruction will be covered when any one of the following clinical circumstances is present:
  - a. Periocular warts associated with chronic recurrent conjunctivitis thought secondary to lesion virus shedding.
  - b. Warts showing evidence of spread from one body area to another, particularly in immunosuppressed patients.
  - c. Lesions are condyloma acuminata or molluscum contagiosum.
  - d. Cervical dysplasia or pregnancy is associated with genital warts.

An E&M service to determine a diagnosis of benign skin lesion(s) may be allowed (paid), even in the event the subsequent lesion(s) removal is determined to be cosmetic.

#### B. Repair (Closure) With Excision of Benign Lesions

Payment for the excision of benign lesions of skin includes payment for simple repairs. Separate payment may be made for medically necessary layered closures, adjacent tissue transfers, flaps and grafts.

### Limitations:

Medicare will not pay for a separate E & M service on the same day as a dermatologic service unless a documented significant and separately identifiable medical service is rendered. The service must be fully and clearly documented in the patient's medical record and a modifier 25 should be used.

Medicare will not pay for a separate E & M service by the operating physician during the global period unless the service is for a medical problem unrelated to the surgical procedure. The service must be fully and clearly documented in the patient's medical record.

If the beneficiary wishes one or more of these benign asymptomatic lesions removed for cosmetic purposes, the beneficiary becomes liable for the service rendered. The physician has the responsibility to notify the patient in advance that Medicare will not cover cosmetic dermatological surgery and that the beneficiary will be liable for the cost of the service. It is strongly advised that the beneficiary, by his or her signature, accept responsibility for payment. Charges should be clearly stated as well.

The type of removal is at the discretion of the treating physician and the appropriateness of the technique used will not be a factor in deciding if a lesion merits removal. However, a benign lesion excision must have medical record documentation as to why an excisional removal, other than for cosmetic purposes, was the surgical procedure of choice.

Excision is defined as full-thickness (through the dermis) removal of a lesion, including margins, and includes simple (non-layered) closure when performed. Each benign lesion excised should be reported separately. Code selection is determined by measuring the greatest clinical diameter of the apparent lesion plus that margin required for complete excision (lesion diameter plus the narrowest margins required equals the excised diameter). The margins refer to the narrowest margin required to adequately excise the lesion, based on the physician's judgment. The measurement of lesion plus margin is made prior to excision.

References to "physicians" throughout this policy include non-physicians, such as nurse practitioners, clinical nurse specialists and physician assistants.

### **Summary of Evidence**

NA

### **Analysis of Evidence (Rationale for Determination)**

NA

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## **General Information**

### **Associated Information**

### **Documentation Requirements**

1. Physicians' services must be submitted with a diagnosis code to support medical necessity and must be coded to the greatest level of accuracy and highest level of digit completeness.
2. Medical records maintained by the physician must clearly document the medical necessity for lesion(s) removal if Medicare is billed for the service. The relevant history and physical finding conforming to the criteria stated in the "Indication and Limitations of Coverage and/or Medical Necessity" section above must be made available to the Contractor on request.
3. Surgical Procedures Lesions and Closures:  
Operative note(s) for surgical procedures performed in the office location may be contained in the patient's medical record for the date of service or as a separate report maintained within the patient's chart. The

operative note for the procedure performed must be of significant detail to support the surgical procedure billed. The surgical technique used should be described. Surgical procedures should include the lesion size(s) location(s) and number. Layered closures should include the length recorded in centimeters. Add together the length of multiple closures from all anatomical sites grouped together in the same code descriptor (See the American Medical Associations Physicians’ Current Procedural Terminology, CPT subsection instructions for Removal of Skin Tags, Shaving of Epidermal or Dermal Lesions, Excisions - Benign Lesions, Repairs (Closures) and Destruction.).

4. The decision to submit a specimen for pathological interpretation will be independent of the decision to remove or not remove the lesion. It is assumed, however, that the pathology description and tissue diagnosis will be part of the medical record if a specimen is submitted to pathology.
5. A medical record statement of “irritated skin lesion” is insufficient justification for lesion removal when solely used to reference a patient’s complaint or a physician’s physical findings. Similarly, inflamed seborrheic keratosis, is insufficient to justify lesion removal without medical documentation of the patient’s symptoms and physical findings.

The type of removal is at the discretion of the treating physician and the appropriateness of the technique used will not be a factor in deciding if a lesion merits removal. However, a benign lesion excision must have medical record documentation as to why an excisional removal, other than for cosmetic purposes, was the surgical procedure of choice.

The decision to submit a specimen for pathologic interpretation will be independent of the decision to remove or not remove the lesion. It is assumed, however, that a tissue diagnosis will be part of the medical record when an ultimately benign lesion is removed based on physician uncertainty as to the final clinical diagnosis.

**Sources of Information**

N/A

**Bibliography**

Benign skin lesions. Medscape.com. Published January 4, 2022. Accessed September 14, 2023. <https://emedicine.medscape.com/article/1294801-overview>

Mulhem E, Pinelis S. Treatment of nongenital cutaneous warts. *Am Fam Physician*. 2011;84(3):288-293.

Laser treatment of benign pigmented lesions. Medscape.com. Published November 10, 2022. Accessed September 14, 2023. <https://emedicine.medscape.com/article/1120359-overview>

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## Revision History Information

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
10/26/2023	R10	Posted 10/26/2023-Updated <b>CMS National Coverage Policy</b> references to current information. Updated Bibliography sources to AMA format. Review completed 09/14/2023.	<ul style="list-style-type: none"> <li>• Other (Review)</li> </ul>

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
10/28/2021	R9	10/28/2021 Moved sources of information to Bibliography and updated format to AMA. Formatting, punctuation, and typographical errors were corrected throughout the article. Review completed 9/14/2021.	<ul style="list-style-type: none"> <li>• Other (Review)</li> </ul>
10/31/2019	R8	10/31/2019 Change Request 10901 Local Coverage Determinations (LCDs): it will no longer be appropriate to include Current Procedure Terminology (CPT)/Health Care Procedure Coding System (HCPCS) codes or International Classification of Diseases Tenth Revision-Clinical Modification (ICD-10-CM) codes in the LCDs. All CPT/HCPCS, ICD-10 codes, and Billing and Coding Guidelines have been removed from this LCD and placed in Billing and Coding: Removal of Benign Skin Lesions linked to this LCD. Consistent with Change Request 10901 language from IOMs and/or regulations have been removed and the applicable manual/regulation has been referenced. Review completed 10/08/2019	<ul style="list-style-type: none"> <li>• Other (Changes in response to CMS Change Request 10901, Review completed.)</li> </ul>
10/01/2018	R7	10/01/2018 ICD-10 CM Code update: Group 1 Codes: removed D22.11, D22.12, D23.11, and D23.12. Group 1 Codes added D22.111, D22.112, D22.121, D22.122, D23.111, D23.112, D23.121, and D23.122. Added NCD 250.4 to Related NCD. Annual review completed 09/05/2018.	<ul style="list-style-type: none"> <li>• Revisions Due To ICD-10-CM Code Changes</li> <li>• Other (Annual Review)</li> </ul>
12/01/2017	R6	12/01/2017: Annual review completed 11/03/2017. Verbiage corrected to match IOM references. Typo grammatical corrections made. No change in coverage. At this time 21st Century Cures Act will apply to new and revised LCDs that restrict coverage which requires comment and notice. This revision is not a restriction to the coverage determination; and, therefore not all the fields included on the LCD are applicable as noted in this policy.	<ul style="list-style-type: none"> <li>• Other (Annual review)</li> </ul>
03/01/2017	R5	03/01/2017 CPT/HCPCS short description change CPT code 11403 per Quarter 2017 CPT/HCPCS and Revenue Code update. Added LCD 35498 to Billing & Coding Guidelines Title. No change in coverage.	<ul style="list-style-type: none"> <li>• Revisions Due To CPT/HCPCS Code Changes</li> </ul>
12/01/2016	R4	12/01/2016-Annual Review completed 11/08/2016; no changes in coverage	<ul style="list-style-type: none"> <li>• Other (Annual Review)</li> </ul>

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
02/01/2016	R3	02/01/2016-Annual Review 12/15/2015, removed CAC information, removed ICD-9 code V50.1 no change in coverage.	<ul style="list-style-type: none"> <li>Other (Annual Review )</li> </ul>
10/01/2015	R2	07/01/2015- Policy Clarification-added the following statement to Group 1 Paragraph: CPT codes 11300-11313 may also be covered for the removal of cancerous skin lesions which are not addressed in this LCD; added dx codes I78.1, H61.011- H61.013, H61.021-H61.023, H61.031-H61.033.	<ul style="list-style-type: none"> <li>Other (Other-Clarification Dx code addition )</li> <li>Revisions Due To ICD-10-CM Code Changes</li> </ul>
10/01/2015	R1	03/01/2015- added L91.9 to list of covered diagnosis codes. Effective 02/16/2015.	<ul style="list-style-type: none"> <li>Other (DX code addition)</li> <li>Revisions Due To ICD-10-CM Code Changes</li> </ul>

## Associated Documents

### Attachments

N/A

### Related Local Coverage Documents

### Articles

[A57482 - Billing and Coding: Removal of Benign Skin Lesions](#)

### Related National Coverage Documents

### NCDs

[250.4 - Treatment of Actinic Keratosis](#)

### Public Versions

UPDATED ON	EFFECTIVE DATES	STATUS
10/17/2023	10/26/2023 - N/A	Currently in Effect (This Version)
10/19/2021	10/28/2021 - 10/25/2023	Superseded

Some older versions have been archived. Please visit the MCD Archive Site to retrieve them.

## Keywords

N/A