

# LCD - Removal of Benign Skin Lesions (L34200)

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## Contractor Information

CONTRACTOR NAME	CONTRACT TYPE	CONTRACT NUMBER	JURISDICTION	STATES
<a href="#">CGS Administrators, LLC</a>	MAC - Part A	15101 - MAC A	J - 15	Kentucky
<a href="#">CGS Administrators, LLC</a>	MAC - Part B	15102 - MAC B	J - 15	Kentucky
<a href="#">CGS Administrators, LLC</a>	MAC - Part A	15201 - MAC A	J - 15	Ohio
<a href="#">CGS Administrators, LLC</a>	MAC - Part B	15202 - MAC B	J - 15	Ohio

## LCD Information

### Document Information

**LCD ID**

L34200

**LCD Title**

Removal of Benign Skin Lesions

**Proposed LCD in Comment Period**

N/A

**Source Proposed LCD**

N/A

**Original Effective Date**

For services performed on or after 10/01/2015

**Revision Effective Date**

For services performed on or after 08/03/2023

**Revision Ending Date**

N/A

**Retirement Date**

N/A

**Notice Period Start Date**

N/A

**Notice Period End Date****AMA CPT / ADA CDT / AHA NUBC Copyright Statement**

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N/A

## Issue

### Issue Description

This LCD outlines limited coverage for this service with specific details under Coverage Indications, Limitations, and/or Medical Necessity.

## CMS National Coverage Policy

Language quoted from Centers for Medicare and Medicaid Services (CMS), National Coverage Determinations (NCDs) and coverage provisions in interpretive manuals is italicized throughout the policy. NCDs and coverage provisions in interpretive manuals are not subject to the Local Coverage Determination (LCD) Review Process (42 CFR 405.860[b] and 42 CFR 426 [Subpart D]). In addition, an administrative law judge may not review an NCD. See Section 1869(f)(1)(A)(i) of the Social Security Act.

Unless otherwise specified, *italicized* text represents quotation from one or more of the following CMS sources:

### Title XVIII of the Social Security Act (SSA):

Section 1862(a)(1)(A) excludes expenses incurred for items or services which are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member.

Section 1833(e) prohibits Medicare payment for any claim which lacks the necessary information to process the claim.

## Coverage Guidance

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

#### Abstract:

Benign skin lesions are common in the elderly and are frequently removed at the patient's request to improve appearance. Removals of certain benign skin lesions that do not pose a threat to health or function are considered cosmetic, and as such, are not covered by the Medicare program. These cosmetic reasons include, but are not limited to, emotional distress, "makeup trapping," and non-problematic lesions in any anatomic location. Lesions in sensitive anatomical locations that are not creating problems do not qualify for removal coverage on the basis of location alone.

Benign skin lesions to which the accompanying lesion removal policy applies are the following: seborrheic keratoses, sebaceous (epidermoid) cysts, skin tags, moles (nevi), acquired hyperkeratosis (keratoderma), molluscum contagiosum, milia and viral warts.

Medicare covers the destruction of actinic keratoses without restrictions based on lesion or patient characteristics.

#### Indications:

There may be instances in which the removal of benign seborrheic keratoses, sebaceous cysts, skin tags, moles (nevi), acquired hyperkeratosis (keratoderma), molluscum contagiosum, milia and viral warts is medically appropriate. Medicare will, therefore, consider their removal as medically necessary, and not cosmetic, if one or more of the following conditions are presented and clearly documented in the medical record:

- Bleeding;
- Intense itching;
- Pain;
- Change in physical appearance (reddening or pigmentary change);
- Recent enlargement;
- Increase in the number of lesions;
- Physical evidence of inflammation or infection, e.g., purulence, oozing, edema, erythema, etc.;
- Lesion obstructs an orifice;
- Lesion clinically restricts eye function. For example:
  - a. Lesion restricts eyelid function;
  - b. lesion causes misdirection of eyelashes or eyelid;
  - c. lesion restricts lacrimal puncta and interferes with tear flow;
  - d. lesion touches globe;
- Clinical uncertainty as to the likely diagnosis, particularly where malignancy is a realistic consideration based on lesion appearance;
- A prior biopsy suggests or is indicative of lesion malignancy;
- The lesion is in an anatomical region subject to recurrent physical trauma, and there is documentation that such trauma has, in fact, occurred;
- Recent enlargement, history of rupture or previous inflammation, or location subjects patient to risk of rupture of epidermal inclusion (sebaceous) cyst.
- Wart removals will be covered under the guidelines above. In addition, wart destruction will be covered when any of the following clinical circumstances are 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 or warts of recent origin in an immunocompromised patients;
  - c. Lesions are condyloma acuminata or molluscum contagiosum;
  - d. Cervical dysplasia or pregnancy is associated with genital warts.

**Limitations:**

Medicare will not pay for a separate E & M service on the same day as a minor surgical procedure 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.

**Other Comments:**

For claims submitted to the Part A MAC: this coverage determination also applies within states outside the primary geographic jurisdiction with facilities that have nominated CGS Administrators, LLC to process their claims.

Limitation of liability and refund requirements apply when denials are likely, whether based on medical necessity or other coverage reasons. The provider/supplier must notify the beneficiary in writing, prior to rendering the service, if the provider/supplier is aware that the test, item or procedure may not be covered by Medicare. The limitation of liability and refund requirements do not apply when the test, item or procedure is statutorily excluded, has no Medicare benefit category or is rendered for screening purposes.

**Summary of Evidence**

N/A

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

N/A

# General Information

**Associated Information**

The patient's medical record must contain documentation that fully supports the medical necessity for services included within this LCD. (See "Indications and Limitations of Coverage.") This documentation includes, but is not limited to, relevant medical history, physical examination, and results of pertinent diagnostic tests or procedures.

Medical records maintained by the physician must clearly document the medical necessity for the lesion removal(s) if Medicare is billed for the service.

Drawings or diagrams to describe the precise anatomical location of the lesion are helpful. A procedural note, protocol describing indications, diagnosis, methodology of treatment, or modality is advised.

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.

Documentation must be available to Medicare upon request.

Not applicable

Clinically, it would not be expected that any given lesion would have to be treated more than once in a six months interval. The intrinsic nature of the lesion will determine whether more frequent treatments are required.

This utilization guideline applies to all conditions within this LCD other than actinic keratosis.

## Sources of Information

This bibliography presents those sources that were obtained during the development of this policy. CGS Administrators, LL is not responsible for the continuing viability of Web site addresses listed below.

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Nationwide Mutual Ins., West Virginia -policy # 2000-08LR  
Administar Federal, Inc., In. - policy INTEG-C-0801  
Trailblazer, Maryland – policy on Removal of Benign Skin Lesions  
Noridian Administrative Services, LLC - Non-malignant Skin Lesion Removal Policy.
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**Bibliography**

N/A

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## Revision History Information

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
08/03/2023	R17	<p>R17</p> <p>Revision Effective: 08/03/2023</p> <p>Revision Explanation: Annual Review, no changes were made.</p> <p><i>08/03/2023: 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.</i></p>	<ul style="list-style-type: none"> <li>Other (Annual Review)</li> </ul>
08/04/2022	R16	<p>R16</p> <p>Revision Effective: 08/04/2022</p> <p>Revision Explanation: Annual Review, no changes were made.</p> <p><i>07/26/2022: 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.</i></p>	<ul style="list-style-type: none"> <li>Other (Annual Review)</li> </ul>
07/29/2021	R15	<p>R15</p> <p>Revision Effective: 07/29/2021</p> <p><i>07/23/2021: At this time 21st Century Cures Act will apply to new and revised LCDs that restrict coverage which requires</i></p>	<ul style="list-style-type: none"> <li>Other (Annual Review)</li> </ul>

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
		<i>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.</i>	
09/26/2019	R14	<p>R14</p> <p>Revision Effective: n/a</p> <p>07/13/2020: <i>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.</i></p>	<ul style="list-style-type: none"> <li>• Other (Annual Review)</li> </ul>
09/26/2019	R13	<p>R13</p> <p>Revision Effective: 09/26/2019 Revision Explanation: Removed codes and converted policy into new policy template that no longer includes coding section based on CR 10901.</p> <p>09/16/2019:<i>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.</i></p>	<ul style="list-style-type: none"> <li>• Revisions Due To Code Removal</li> </ul>
10/01/2018	R12	<p>R12</p> <p>Revision Effective: 10/01/2018</p> <p>Revision Explanation: Annual Review, no changes made</p> <p>07/22/2019-<i>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.</i></p>	<ul style="list-style-type: none"> <li>• Other (Annual Review)</li> </ul>
10/01/2018	R11	R11	<ul style="list-style-type: none"> <li>• Typographical Error</li> </ul>

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
		<p>Revision Effective: 10/01/2018</p> <p>Revision Explanation: During annual ICD-10 update code D22.121 was left off in error from group 2 list when updating for ICD-10 annual update.</p> <p>11/01/2018-<i>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.</i></p>	
10/01/2018	R10	<p>R11</p> <p>Revision Effective: 10/01/2018</p> <p>Revision Explanation: During annual ICD-10 update code D22.121 was left off in error from group 2 list when updating for ICD-10 annual update.</p> <p>11/01/2018-<i>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.</i></p>	<ul style="list-style-type: none"> <li>• Typographical Error</li> </ul>
11/01/2017	R9	<p>R10</p> <p>Revision Effective: 10/01/2018</p> <p>Revision Explanation: During annual ICD-10 update codes D22.11, D22.12, D23.11, and D23.12 were deleted and replaced with the following: D22.111, D22.112, D22.121, D22.122, D23.111, D23.112, D23.121, and D23.122 in group 2. New codes from annual update were added to group 1 and 3: H02.881, H02.882, H02.884, H02.885, H02.88A, and H02.88B.</p> <p>09/20/2018-<i>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.</i></p>	<ul style="list-style-type: none"> <li>• Revisions Due To ICD-10-CM Code Changes</li> </ul>



REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
11/01/2017	R8	<p>R9</p> <p>Revision Effective: N/A</p> <p>Revision Explanation: Annual review no changes made.</p> <p><i>07/30/2018-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.</i></p>	<ul style="list-style-type: none"> <li>• Other (Annual review)</li> </ul>
11/01/2017	R7	<p>R8</p> <p>Revision Effective: 11/01/2017</p> <p>Revision Explanation: Added L70.0 to group 1 ICD-10 code support medical necessity</p> <p><i>11/27/2017-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.</i></p>	<ul style="list-style-type: none"> <li>• Reconsideration Request</li> </ul>
10/01/2017	R6	<p>R7</p> <p>Revision Effective: 10/01/2017</p> <p>Revision Explanation: Added L28.1 to group 1 ICD-10 code support medical necessity</p> <p><i>10/01/2017-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.</i></p>	<ul style="list-style-type: none"> <li>• Reconsideration Request</li> </ul>
10/01/2017	R5	<p>R6</p>	<ul style="list-style-type: none"> <li>• Revisions Due To</li> </ul>

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
		<p>Revision Effective: 10/01/2017</p> <p>Revision Explanation: Annual ICD-10 update T07 was deleted in group 3 and replaced with T07.XXXA, T07.XXXD, and T07.XXXS.</p> <p><i>07/31/2017-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.</i></p> <p>R5</p> <p>Revision Effective: N/A</p> <p>Revision Explanation: Annual review no changes made.</p> <p><i>07/31/2017-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.</i></p>	<p>ICD-10-CM Code Changes</p>
10/01/2015	R4	<p>Revision#:R4</p> <p>Revision Effective: N/A</p> <p>Revision Explanation: annual review no changes made.</p>	<ul style="list-style-type: none"> <li>• Other (annual review)</li> </ul>
10/01/2015	R3	<p>Revision#:R3</p> <p>Revision Effective:10/01/2015</p> <p>Revision Explanation: Added ICD-10 codes L72.11 and L72.12 to group two for supports medical necessity.</p>	<ul style="list-style-type: none"> <li>• Reconsideration Request</li> </ul>
10/01/2015	R2	<p>Revision#:R2</p> <p>Revision Effective:10/01/2015</p> <p>Revision Explanation: Accepted revenue code description changes</p>	<ul style="list-style-type: none"> <li>• Other (revenue code description)</li> </ul>

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASONS FOR CHANGE
10/01/2015	R1	Revision#:R1 Revision Effective:10/01/2015 Revision Explanation: Added ICD-10 code D48.5 to group 3 secondary diagnosis.	<ul style="list-style-type: none"> <li>Reconsideration Request</li> </ul>

## Associated Documents

### Attachments

N/A

### Related Local Coverage Documents

### Articles

[A57044 - Billing and Coding: Removal of Benign Skin Lesions](#)

### Related National Coverage Documents

N/A

### Public Versions

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07/25/2023	08/03/2023 - N/A	Currently in Effect (This Version)
07/26/2022	08/04/2022 - 08/02/2023	Superseded

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

## Keywords

N/A