

Local Coverage Determination (LCD): Removal of Benign Skin Lesions (L34938)

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Contractor Information

CONTRACTOR NAME	CONTRACT TYPE	CONTRACT NUMBER	JURISDICTION	STATE(S)
Novitas Solutions, Inc.	A and B MAC	04111 - MAC A	J - H	Colorado
Novitas Solutions, Inc.	A and B MAC	04112 - MAC B	J - H	Colorado
Novitas Solutions, Inc.	A and B MAC	04211 - MAC A	J - H	New Mexico
Novitas Solutions, Inc.	A and B MAC	04212 - MAC B	J - H	New Mexico
Novitas Solutions, Inc.	A and B MAC	04311 - MAC A	J - H	Oklahoma
Novitas Solutions, Inc.	A and B MAC	04312 - MAC B	J - H	Oklahoma
Novitas Solutions, Inc.	A and B MAC	04411 - MAC A	J - H	Texas
Novitas Solutions, Inc.	A and B MAC	04412 - MAC B	J - H	Texas
Novitas Solutions, Inc.	A and B MAC	04911 - MAC A	J - H	Colorado New Mexico Oklahoma Texas
Novitas Solutions, Inc.	A and B MAC	07101 - MAC A	J - H	Arkansas
Novitas Solutions, Inc.	A and B MAC	07102 - MAC B	J - H	Arkansas
Novitas Solutions, Inc.	A and B MAC	07201 - MAC A	J - H	Louisiana
Novitas Solutions, Inc.	A and B MAC	07202 - MAC B	J - H	Louisiana
Novitas Solutions, Inc.	A and B MAC	07301 - MAC A	J - H	Mississippi
Novitas Solutions, Inc.	A and B MAC	07302 - MAC B	J - H	Mississippi
Novitas Solutions, Inc.	A and B MAC	12101 - MAC A	J - L	Delaware
Novitas Solutions, Inc.	A and B MAC	12102 - MAC B	J - L	Delaware
Novitas Solutions, Inc.	A and B MAC	12201 - MAC A	J - L	District of Columbia
Novitas Solutions, Inc.	A and B MAC	12202 - MAC B	J - L	District of Columbia
Novitas Solutions, Inc.	A and B MAC	12301 - MAC A	J - L	Maryland
Novitas Solutions, Inc.	A and B MAC	12302 - MAC B	J - L	Maryland
Novitas Solutions, Inc.	A and B MAC	12401 - MAC A	J - L	New Jersey
Novitas Solutions, Inc.	A and B MAC	12402 - MAC B	J - L	New Jersey
Novitas Solutions, Inc.	A and B MAC	12501 - MAC A	J - L	Pennsylvania
Novitas Solutions, Inc.	A and B MAC	12502 - MAC B	J - L	Pennsylvania

CONTRACTOR NAME	CONTRACT TYPE	CONTRACT NUMBER	JURISDICTION	STATE(S)
Novitas Solutions, Inc.	A and B MAC	12901 - MAC A	J - L	District of Columbia Delaware Maryland New Jersey Pennsylvania

LCD Information

Document Information

LCD ID

L34938

Original Effective Date

For services performed on or after 10/01/2015

LCD Title

Removal of Benign Skin Lesions

Revision Effective Date

For services performed on or after 09/26/2019

Proposed LCD in Comment Period

N/A

Revision Ending Date

N/A

Source Proposed LCD

DL34938

Retirement Date

N/A

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Notice Period Start Date

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Notice Period End Date

01/31/2017

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CMS National Coverage Policy

This LCD supplements but does not replace, modify, or supersede existing Medicare applicable National Coverage Determinations (NCDs) or payment policy rules and regulations for benign skin lesion services. Federal statute and subsequent Medicare regulations regarding provision and payment for medical services are lengthy. They are not repeated in this LCD. Neither Medicare payment policy rules nor this LCD replace, modify, or supersede applicable state statutes regarding medical practice or other health practice professions acts, definitions and/or scopes of practice. All providers who report services for Medicare payment must fully understand and follow all existing laws, regulations and rules for Medicare payment for removal of benign skin lesion services and must properly submit only valid claims for them. Please review and understand them and apply the medical necessity provisions in the policy within the context of the manual rules. Relevant CMS manual instructions and policies may be found in the following Internet-Only Manuals (IOMs) published on the CMS Web site.

IOM Citations:

- CMS IOM Publication 100-02, *Medicare Benefit Policy Manual*, Chapter 16, Section 120: Cosmetic Surgery.
- CMS IOM Publication 100-03, *Medicare National Coverage Determinations (NCD) Manual*, Chapter 1, Part 4, Section 250.4: Treatment of Actinic Keratosis.
- CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 12, Section 30.6: Evaluation and Management Codes - General, Section 40.1: Definition of a Global Surgical Package, Section 40.2: Billing Requirements for Global Surgeries, Section 40.3: Claims Review for Global Surgeries.
- CMS IOM Publication 100-08, *Medicare Program Integrity Manual*, Chapter 13, Section 13.5.4 Reasonable and Necessary Provision in an LCD.

Social Security Act (Title XVIII) Standard References:

- Title XVIII of the Social Security Act, Section 1833(e) states that no payment shall be made to any provider for any claim that lacks the necessary information to process the claim.
- Title XVIII of the Social Security Act, Section 1862(a)(1)(A) states that no Medicare payment shall be made for items or services which are not reasonable and necessary for the diagnosis or treatment of illness or injury.
- Title XVIII of the Social Security Act, Section 1862(a)(7). This section excludes routine physical examinations.
- Title XVIII of the Social Security Act, Section 1862(a)(10). This section excludes Cosmetic Surgery.
- Title XVIII of the Social Security Act, Section 1865 states effects of accreditation.

Coverage Guidance

Coverage Indications, Limitations, and/or Medical Necessity

Notice: Compliance with the provisions in this policy may be monitored and addressed through post payment data analysis and subsequent medical review audits.

History/Background and/or General Information

Benign lesions may be removed in a variety of ways. These methods can be grouped into one of the following three categories.

1. Shaving of Epidermal or Dermal Lesions

- Shaving is the sharp removal by transverse incision or horizontal slicing to remove epidermal and dermal lesions without a full-thickness dermal excision. This includes local anesthesia, chemical or electrocauterization. The wound does not require suture closure.

2. Excision - Benign Lesions

- Excision of benign lesions of skin includes local anesthesia. Excision is defined as full-thickness (through the dermis) removal of a lesion, including margins, and includes simple (non-layered) closure when performed.

3. Destruction, Benign Lesions

- Destruction means the ablation of benign tissues by any method, with or without curettage, including local anesthesia, and not usually requiring closure.
- Medical record documentation must support medical necessity for excisional removal of a benign skin lesion for other than cosmetic purposes. Each benign lesion excised should be reported separately.

Covered Indications

In selected circumstances, the removal of lesions (e.g., seborrheic keratoses, epidermoid cysts, moles [nevi], acquired hyperkeratosis, molluscum contagiosum, milia, viral warts, benign neoplasms, hemangiomas, lipomas, and pyogenic granulomas) is medically appropriate. Therefore, Medicare will 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 become symptomatic or has undergone a change in appearance or displays evidence of inflammation or infection.
2. The lesion obstructs an orifice.
3. The lesion clinically restricts eye function. For example, the lesion
 - restricts eyelid function
 - causes misdirection of eyelashes or eyelid
 - restricts lacrimal puncta and interferes with tear flow
 - touches the globe
 - interferes with vision
4. There is clinical uncertainty as to the likely diagnosis, particularly where malignancy is a realistic consideration based on lesion appearance or prior biopsy of a related or similar lesion suggesting malignancy.
5. A prior histological exam or biopsy suggests or is indicative of atypia (e.g., atypical nevus) or malignancy.
6. The lesion is in an anatomical region subject to recurrent physical trauma and there is documentation that such trauma has occurred.
7. Removal of molluscum contagiosum.
8. Benign epidermal or pilar cyst with history of infection, drainage, or rupture.
9. Wart removals will be covered under guidelines above. In addition, wart destruction will be covered when any of the following clinical circumstances are present:

- Periocular warts associated with chronic recurrent conjunctivitis thought to be secondary to lesion virus shedding
 - Warts showing evidence of spread from one body area to another
 - Lesions are condyloma acuminata
10. Please refer to the National Coverage Determination (NCD) 250.4 for coverage details regarding Actinic Keratosis.

Limitations

The following are considered not reasonable and necessary and therefore will be denied:

1. Please refer to CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 12, Section 30.6.6 for instructions regarding Evaluation and Management (E/M) services during the global period of surgery and on the same day as a procedure.
2. Removal of certain benign skin lesions that do not pose a threat to health or function is considered cosmetic, and as such, is not covered by the Medicare program. If the beneficiary wishes to have one or more of these benign asymptomatic lesions removed for cosmetic purposes, the beneficiary becomes liable for the service rendered. The provider has the responsibility to notify the patient in advance that Medicare will not cover that cosmetic procedure and the beneficiary will be liable for the cost of the service.
3. Lesions in sensitive anatomical locations that are not creating problems do not qualify for removal coverage on the basis of location alone.

Notice: Services performed for any given diagnosis must meet all of the indications and limitations stated in this policy, the general requirements for medical necessity as stated in CMS payment policy manuals, any and all existing CMS national coverage determinations, and all Medicare payment rules.

The redetermination process may be utilized for consideration of services performed outside of the reasonable and necessary requirements in this LCD.

Summary of Evidence

N/A

Analysis of Evidence (Rationale for Determination)

N/A

General Information

Associated Information

Refer to the Local Coverage Article: Billing and Coding: Removal of Benign Skin Lesions, A57113, for all coding information.

Documentation Requirements

1. All documentation must be maintained in the patient's medical record and made available to the contractor upon request.
2. Every page of the record must be legible and include appropriate patient identification information (e.g. complete name, dates of service[s]). The documentation must include the legible signature of the physician or non-physician practitioner responsible for and providing the care to the patient.
3. The medical record documentation must support the medical necessity of the services as stated in this policy.
4. The type of removal is at the discretion of the treating physician or non-physician practitioner and the appropriateness of the technique used will not be a factor in deciding if the lesion merits removal. Medical record documentation must support that the technique used is appropriate for that lesion removal.
5. A statement of "irritated skin lesion" or "inflamed seborrheic keratosis" will be insufficient justification for lesion removal when used solely to describe a patient's complaint or the physician's or non-physician practitioner's physical findings. It is important to document the patient's signs and symptoms as well as the physician's or non-physician practitioner's physical findings.
6. Drawings or diagrams to describe the precise anatomical location of the lesion are helpful. Documentation of a procedural note, protocol describing indications, diagnosis, and method (or modality) of treatment is advised.
7. 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 or non-physician practitioner's uncertainty as to the final clinical diagnosis.

Utilization Guidelines

In accordance with CMS Ruling 95-1 (V), utilization of these services should be consistent with locally acceptable standards of practice.

Sources of Information

Other Contractor's Policies

Contractor Medical Directors

"Cosmetic and Reconstructive Procedures in Plastic Surgery", published by the American Society of Plastic and Reconstructive Surgeons, Inc., 1989.

Dermatology consultant expert opinions to Carrier Medical Director Workgroup.

Bibliography

1. Epstein E. Dermatologic disorders in "The Merck Manual", 16th ED., New Jersey: Merck and Co., Inc., 1992, pp 2399-2460.
2. Ho V, McLean DI Benign epithelial tumors in "Dermatology in General Medicine", 4th Ed., McGraw-Hill, Inc., pp 855-872.
3. Kaushik S, Pepas L, Nordin A, et al. Surgical interventions for high-grade vulval intraepithelial neoplasia

Revision History Information

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASON(S) FOR CHANGE
09/26/2019	R10	LCD revised and updated 09/26/2019. Consistent with CMS Change Request 10901, the entire Coding information section has been removed from this LCD. Slight formatting changes were made and language contained in the various CMS manuals has been removed from the body of the policy and replaced with a reference to the applicable manual. Please see the related Billing and Coding Article A57113 for all codes and information related to coding and billing.	<ul style="list-style-type: none"> Other (CMS Change Request 10901)
10/01/2018	R9	<p>LCD revised and published on 10/25/2018 effective for dates of service on and after 10/01/2018 to reflect the ICD-10-CM Annual Code Updates. The following ICD-10-CM code(s) have been deleted and therefore removed from Group 1 and Group 5 Codes of the LCD: D22.11, D22.12, D23.11, D23.12. The following ICD-10-CM code(s) have been added to Group 1 and Group 5 Codes: D22.111, D22.112, D22.121, D22.122, D23.111, D23.112, D23.121, D23.122. Documentation Requirement #2 and #4 updated with standard policy language.</p> <p>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; therefore, not all the fields included on the LCD are applicable as noted in this policy.</p>	<ul style="list-style-type: none"> Revisions Due To ICD-10-CM Code Changes Other (Clarification)
01/01/2018	R8	<p>LCD revised and published on 01/25/2018 effective for dates of service on and after 01/01/2018 to reflect the annual CPT/HCPCS code updates. For the following CPT/HCPCS code either the short description and/or the long description was changed: 11403. Depending on which description is used in this LCD there may not be any change in how the code displays in the document. Source added that was reviewed and considered; however, the source was inadvertently not listed with the previous LCD revision.</p> <p>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;</p>	<ul style="list-style-type: none"> Revisions Due To CPT/HCPCS Code Changes Typographical Error

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASON(S) FOR CHANGE
		therefore, not all the fields included on the LCD are applicable as noted in this policy.	
11/09/2017	R7	<p>LCD revised and published on 11/09/2017 effective for dates of service on and after 09/13/2017 to add the following ICD-10 diagnosis codes to Group 7 Codes: D07.1, N90.0, N90.1, and N90.3. LCD revised with effective dates of service on and after 10/01/2017 to reflect the 4Q17 CPT/HCPCS code updates. For the following CPT/HCPCS code(s) either the short description and/or the long description was changed: 11403. Depending on which description is used in this LCD, there may not be any change in how the code displays in the document.</p> <p>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; therefore, not all the fields included on the LCD are applicable as noted in this policy.</p>	<ul style="list-style-type: none"> • Revisions Due To CPT/HCPCS Code Changes • Reconsideration Request
02/01/2017	R6	<p>LCD revised and published on 07/13/2017 effective for dates of service on and after 02/01/2017 to add the following ICD-10 diagnosis codes to Group 3 and Group 4: D22.5, D22.61, D22.62, D22.71 and D22.72.</p> <p>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</p>	<ul style="list-style-type: none"> • Other (Inquiry)
02/01/2017	R5	<p>LCD revised and published on 06/08/2017 effective for dates of service on and after 02/01/2017 to add the following ICD-10 diagnosis codes to the Group 1 diagnosis code list: L29.9, L56.5, R20.8, R23.3, R23.8, R52, and R58; to the Group 2 diagnosis code list: D22.5, D22.61, D22.62, D22.71, D22.72, L29.9, R20.8, R23.3, R23.8, R52, and R58; to the Group 3 diagnosis code list: D22.4, D49.59, L29.9, R20.8, R23.3, R23.8, R52, and R58; to the Group 4 diagnosis code list: D22.4, D49.59, L29.9, R20.8, R23.3, R23.8, R52, and R58; to the Group 5 diagnosis code list: D18.1, D22.0, D22.11, D22.12, D22.21, D22.22, D22.39, D22.4, D22.5, D22.61, D22.62, D22.71, D22.72, D49.59, L29.9, R20.8, R23.3, R23.8, R52, and R58; to the Group 6 diagnosis code list: D49.59; and to the Group 7 diagnosis code list: D49.2 and D49.59.</p>	<ul style="list-style-type: none"> • Other (Inquiry)

REVISION HISTORY DATE	REVISION HISTORY NUMBER	REVISION HISTORY EXPLANATION	REASON(S) FOR CHANGE
02/01/2017	R4	LCD revised and published on 04/13/2017 effective for dates of service on and after 01/01/2017 to reflect the first quarter 2017 CPT/HCPCS code updates. For the following CPT code either the short description and/or the long description was changed. Depending on which description is used in this LCD, there may not be any change in how the code displays in the document: 11403.	<ul style="list-style-type: none"> Revisions Due To CPT/HCPCS Code Changes
02/01/2017	R3	LCD posted for notice on 12/08/2016. LCD becomes effective for dates of service on and after 02/01/2017. 03/03/2016 DL34938 Draft LCD posted for comment.	<ul style="list-style-type: none"> Aberrant Local Utilization
10/01/2016	R2	LCD revised and published on 09/29/2016 effective for dates of service on and after 10/01/2016 to reflect the ICD-10 Annual Code Updates. The following ICD-10 code has been deleted and therefore removed from the Group 1 diagnosis code list of the LCD: D49.5. ICD-10 code D49.59 has been added to the Group 1 diagnosis code list.	<ul style="list-style-type: none"> Revisions Due To ICD-10-CM Code Changes
10/01/2015	R1	LCD revised and published on 03/10/2016 effective for dates of service on or after 10/01/2015 to add the following ICD-10 code to Group 1: D17.0.	<ul style="list-style-type: none"> Reconsideration Request

Associated Documents

Attachments

N/A

Related Local Coverage Documents

Article(s)

A57113 - Billing and Coding: Removal of Benign Skin Lesions

Related National Coverage Documents

NCD(s)

250.4 - Treatment of Actinic Keratosis

Public Version(s)

Updated on 09/20/2019 with effective dates 09/26/2019 - N/A

Updated on 10/19/2018 with effective dates 10/01/2018 - 09/25/2019

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

Keywords

N/A