



## *Benign Lesion Removal Coverage Guidelines*

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<b>Line of Business:</b> Commercial Only <input type="checkbox"/> QHP/Exchange Only <input type="checkbox"/> Medicare Only <input type="checkbox"/> Commercial & QHP/Exchange <input type="checkbox"/> Commercial, QHP/Exchange, & Medicare <input checked="" type="checkbox"/>		

### **Purpose:**

To provide benign lesion removal guidelines for Population Health and Provider Alliances associates to reference when making benefit determinations.

### ***Definitions***

- **Seborrheic keratoses** are non-cancerous growths of the outer layer of skin. They are usually brown, but can vary in color from beige to black, and vary in size from a fraction of an inch to more than an inch in diameter. They have the appearance of being glued or stuck on to skin. Seborrheic keratoses are most often found on the chest or back, although, they can also be found almost anywhere on the body. These become more common with age, and most elderly patients develop one or more of these lesions. Seborrheic keratoses can get irritated by clothing rubbing against them, and their removal may be medically necessary if they itch, get irritated, or bleed easily. Although seborrheic keratoses are non-cancerous, they may be difficult to distinguish from skin cancer if they turn black. Seborrheic keratoses may be removed by cryosurgery, curettage, or electrosurgery.
- **Moles (nevi)** can appear anywhere on the skin. They are usually brown in color, but can be skin colored or pink, light tan to brown, or blue-black. Moles may be flat or raised and can be various sizes and shapes. Most appear during the first 20 years of a person's life, although some may not appear until later in life. Sun exposure increases the number of moles. The majority of moles are benign. However, moles that raise suspicion of malignancy are those that change in size, shape or color, and those that bleed, itch, or become painful. Atypical moles (dysplastic nevi) have an increased risk of developing into melanoma. Atypical moles are larger than average (greater than 6 mm) and irregular in shape. They tend to have uneven color with dark brown centers and lighter, sometimes reddish, uneven borders or black dots at edge. The most common methods of removal include shaving and excision.
- **A sebaceous (keratinous) cyst** is a slow-growing, benign cyst that contains follicular, keratinous, and sebaceous material. The sebaceous cyst is firm, globular, movable, and non-tender. These cysts seldom cause discomfort unless the cyst ruptures or becomes infected. Ranging in size, sebaceous cysts are usually found on the scalp, face, ears, and genitals. They are formed when the release of sebum from the sebaceous glands in the skin is blocked. Unless they become infected and painful or large, sebaceous cysts do not require medical attention or treatment, and usually go away on their own. Infected cysts can be incised and drained, or the entire cyst may be surgically removed.



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- A **skin tag** (acrochordon) is a benign, soft, moveable, skin-colored growth that hangs from the surface of the skin on a thin piece of tissue called a stalk. The prevalence of skin tags increases with age. They appear most often in skin folds of the neck, armpits, and trunk, beneath the breasts or in the genital region. They are painless but may become painful if thrombosed or if irritated. They may become irritated if they occur in an area where clothing or jewelry rubs against them. Skin tags may be removed by excision, cryosurgery, or electrosurgery.

### ***Exclusion Criteria***

- Removals of certain benign skin lesions that do not pose a threat to health or function and medical documentation fails to support the defined indications, the removal would be considered cosmetic, medically unnecessary, and as such are not covered by AvMed Health Plans.
- Cryotherapy (17340) for acne or the destruction of milia is considered cosmetic and is not covered.
- The removal of skin tags or sebaceous cysts is considered cosmetic unless medical necessity as outlined above exist and is properly documented in the Member's medical record (maintained by the independent practitioner's office).

### **Procedure:**

- 1.0 Seborrheic keratoses, sebaceous cysts, warts, nevi, and papillomas must be symptomatic or present with objective signs before AvMed Health Plans will reimburse for their removal, otherwise, they are considered to have been removed for cosmetic purposes and, therefore, not covered. AvMed Health Plans will consider their removal as medically necessary and not cosmetic if one (1) or more of the following conditions is present and clearly documented in the Member's medical record provided by the independent practitioner:
  - 1.1 Symptoms and/or signs include, but are not limited to, itching, burning, irritation, significant change in color or size, or bleeding;
  - 1.2 The lesion has physical evidence of inflammation, (i.e., purulence, oozing, edema, erythema, erosion);
  - 1.3 The lesion obstructs an orifice or clinically restricts vision;
  - 1.4 There is clinical uncertainty as to the diagnosis, particularly when malignancy is a realistic consideration based on lesional appearance, strong family history of melanoma, dysplastic nevus syndrome or prior melanoma;



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- 1.5 A prior biopsy suggests, or is indicative of, lesion malignancy;
- 1.6 The lesion is in an area such as the neck, bra line or waist and is constantly irritated and/or is located in an anatomical location of recurrent trauma and that such trauma has in fact occurred;
- 1.7 Wart removal will be covered for less than 1.1 through 1.6 above. In addition, wart destruction will be covered when any of the following clinical circumstances are present:
  - 1.7.1 Periocular warts associated with chronic recurrent conjunctivitis thought secondary to lesional virus shedding;
  - 1.7.2 Warts showing evidence of spreading from one (1) body area to another, particularly in the immunosuppressed Members.
- 20 Medical records maintained by the independent practitioner must clearly document the medical necessity for lesion removal(s) if AvMed Health Plans is billed for the service:
  - 21 Statements such as "suspicious looking" are not adequate without description of cause for suspicion. A records statement of a non-specific diagnosis such as "skin lesion" with or without documentation of signs and symptoms will not be sufficient justification for lesion removal when used solely to reference a Member's complaint or an independent practitioner's physical findings;
  - 22 Documentation must contain a written description of each surgically treated lesion in terms of location and physical characteristics.
- 3.0 The decision to submit a specimen for pathologic interpretation will be independent of the decision to remove or not remove the lesion:
  - 3.1 It is assumed, however, that a tissue diagnosis will be a part of the medical record when an ultimately benign lesion is removed based on independent provider's uncertainty as to the final clinical diagnosis.

### **References:**

- 1. American Academy of Dermatology, Guidelines of Care for Acne Vulgaris Management. J AM Acad Dermatol.2007:56.
- 2. Surgical Procedures for Trauma of Acne Vulgaris. J. Dermatol. Surg 1975:1(3).



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### **Disclaimer Information:**

Coverage Issues Guidelines and Medical Technology Assessment Recommendations are developed to determine coverage for AvMed's benefits and are published to provide a better understanding of the basis upon which coverage decisions are made. AvMed makes coverage decisions using these guidelines, along with the Member's benefit document. The use of this guideline is neither a guarantee of payment nor a final prediction of how specific claim(s) will be adjudicated.

Coverage Issues Guidelines and Medical Technology Assessment Recommendations are developed for selected therapeutic or diagnostic services found to be safe, but proven effective in a limited, defined population of patients or clinical circumstances. They include concise clinical coverage criteria based on current literature review, consultation with practicing physicians in the AvMed service area who are medical experts in the particular field, FDA and other government agency policies, and standards adopted by national accreditation organizations.

Treating providers are solely responsible for the medical advice and treatment of Members. This guideline may be updated and therefore is subject to change.