

Benign Skin Lesions

MEDICAL POLICY NUMBER: 422

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**INSTRUCTIONS FOR USE:** Company Medical Policies serve as guidance for the administration of plan benefits. Medical policies do not constitute medical advice nor a guarantee of coverage. Company Medical Policies are reviewed annually and are based upon published, peer-reviewed scientific evidence and evidence-based clinical practice guidelines that are available as of the last policy update. The Company reserves the right to determine the application of medical policies and make revisions to medical policies at any time. The scope and availability of all plan benefits are determined in accordance with the applicable coverage agreement. Any conflict or variance between the terms of the coverage agreement and Company Medical Policy will be resolved in favor of the coverage agreement. Coverage decisions are made on the basis of individualized determinations of medical necessity and the experimental or investigational character of the treatment in the individual case. In cases where medical necessity is not established by policy for specific treatment modalities, evidence not previously considered regarding the efficacy of the modality that is presented shall be given consideration to determine if the policy represents current standards of care.

**SCOPE:** Providence Health Plan, Providence Health Assurance and Providence Plan Partners as applicable (referred to individually as “Company” and collectively as “Companies”).

## PLAN PRODUCT AND BENEFIT APPLICATION

☒ Commercial

☐ Medicaid/OHP\*

☐ Medicare\*\*

### \*Medicaid/OHP Members

*Oregon:* Services requested for Oregon Health Plan (OHP) members follow the OHP Prioritized List and Oregon Administrative Rules (OARs) as the primary resource for coverage determinations. Medical policy criteria below may be applied when there are no criteria available in the OARs and the OHP Prioritized List.

Benign Skin Lesions: As of 3/7/2025 the OHA is currently drafting a guideline note as part of the BUP project for non-coverage of benign skin lesions. All dx codes for such lesions can currently be found on non-covered lines of the prioritized list. Examples of non-covered diagnosis codes can be found on line 548 of the prioritized list. The prioritized list will be retired by January 1<sup>st</sup>. 2027.

### \*\*Medicare Members

This Company policy may be applied to Medicare Plan members only when directed by a separate Medicare policy. Note that investigational services are considered “**not medically necessary**” for Medicare members.

## COVERAGE CRITERIA

- I. Removal of benign skin lesions may be considered **medically necessary** when any of the following are met (A.-E.):
  - A. Lesions that repeatedly catch on clothing or jewelry, causing irritation.
  - B. Lesions that bleed, ulcerate, or show signs of infection.
  - C. Lesions that exhibit rapid growth or changes in color, shape, or size, raising concerns about potential malignancy.
  - D. Lesions causing functional impairment, including visual obstruction or interference with daily activities.
  - E. Removal is required for differential diagnosis to exclude a malignant or premalignant condition.
- II. Removal of benign skin lesions is considered **not medically necessary** when criteria I. above is not met.

Link to [Evidence Summary](#)

## POLICY CROSS REFERENCES

- [Cosmetic and Reconstructive Procedures](#), MP98

The full Company portfolio of current Medical Policies is available online and can be [accessed here](#).

## **POLICY GUIDELINES**

### **DOCUMENTATION REQUIREMENTS**

In order to determine the medical necessity of the request, the following documentation must be provided at the time of the request. Medical records to include documentation of all of the following:

- All medical records and chart notes pertinent to the request. This includes:
  - History
  - Physical examination
  - Treatment plan

### **BACKGROUND**

A skin lesion is any change in the skin surface that can be benign, malignant, or premalignant, and may vary in color, size, and texture. Examples of benign skin lesions include moles (nevi), sebaceous cysts, seborrheic keratoses, skin tags, callouses, corns, and warts. Seborrheic keratoses are non-cancerous growths that vary in color and size, often appearing on the chest or back with a wart-like texture. Acquired nevi (moles) can appear anywhere on the skin and are usually benign but should be monitored for changes.

## **REGULATORY STATUS**

### **U.S. FOOD AND DRUG ADMINISTRATION (FDA)**

Approval or clearance by the Food and Drug Administration (FDA) does not in itself establish medical necessity or serve as a basis for coverage. Therefore, this section is provided for informational purposes only.

## **CLINICAL EVIDENCE AND LITERATURE REVIEW**

### **EVIDENCE REVIEW**

A review of the ECRI, Hayes, Cochrane, and PubMed databases was conducted regarding removal of benign skin lesions. Below is a summary of the available evidence identified through November 2024.

- In 2010, Roche and colleagues explored pilomatricoma, a benign skin tumor also known as calcifying epithelioma of Malherbe, prevalent among children and young adults.<sup>1</sup> This tumor

commonly manifests in the head and neck region but is frequently misdiagnosed. Characteristically, it appears as a slowly enlarging, irregularly contoured mass that is fixed to the skin but moves over underlying tissues and can change color from red to purple-blue. If diagnosis is unclear, ultrasound, MRI, and fine-needle aspiration can be useful. While spontaneous regression is never observed and malignant transformation is rare, the recommended treatment is surgical excision with clear margins to prevent recurrence.

- In 2011, Guinot-Moya and colleagues conducted a retrospective analysis of 205 cases to evaluate the incidence and clinical characteristics of pilomatrixoma, a benign skin tumor.<sup>2</sup> Their study found pilomatrixoma constituted 1.04% of benign skin lesions and predominantly affected individuals under 20, with a slight male predominance. Most cases presented as single lesions under 15 mm, primarily located in the head and orofacial regions, with fewer on the upper and lower limbs. Multiple lesions were rare, and relapse after excision was uncommon. The findings underscored pilomatrixoma's predilection for the maxillofacial area and reinforced that simple surgical removal is effective with a low risk of recurrence.
- In 2020, Tran and Richer discussed dermatosis papulosa nigra, a benign skin lesion predominantly occurring on the faces of individuals with skin of color, often treated electively.<sup>3</sup> They highlighted a gap in knowledge regarding aesthetic treatments for such patients, which sometimes leads to risks or denial of treatment due to physician hesitancy. Effective cosmetic treatments need to balance lesion removal efficacy with minimal pigmentary complications. The review covered various therapeutic modalities, including surgical techniques and several laser treatments (532-nm KTP, 532-nm diode, 585-nm pulsed dye, 1064-nm Nd:YAG, 1550-nm erbium-doped fractionated, and 10,600-nm CO2 lasers), emphasizing their successful application in managing dermatosis papulosa nigra.

## CLINICAL PRACTICE GUIDELINES

No clinical practice guidelines were identified that address the removal of benign skin lesions.

## EVIDENCE SUMMARY

Benign lesions include moles, cysts, keratoses, skin tags, callouses, corns, or warts and may vary in color, size, and characteristics. Treatments involve various techniques like biopsy, scraping, excision, laser, or cryosurgery. Seborrheic keratoses, non-cancerous but sometimes irritating, typically appear on the chest or back, and can be removed by cryosurgery or electrosurgery. Acquired nevi (moles) can arise anywhere on the skin, with malignant potential indicated by changes in appearance. Removal methods include shaving and excision. Treatment for these is often due to irritation, involving local anesthesia and techniques like snip excision, cryosurgery, and electrodesiccation.

## HEALTH EQUITY CONSIDERATIONS

The Centers for Disease Control and Prevention (CDC) defines health equity as the state in which everyone has a fair and just opportunity to attain their highest level of health. Achieving health equity

requires addressing health disparities and social determinants of health. A health disparity is the occurrence of diseases at greater levels among certain population groups more than among others. Health disparities are linked to social determinants of health which are non-medical factors that influence health outcomes such as the conditions in which people are born, grow, work, live, age, and the wider set of forces and systems shaping the conditions of daily life. Social determinants of health include unequal access to health care, lack of education, poverty, stigma, and racism.

The U.S. Department of Health and Human Services Office of Minority Health calls out unique areas where health disparities are noted based on race and ethnicity. Providence Health Plan (PHP) regularly reviews these areas of opportunity to see if any changes can be made to our medical or pharmacy policies to support our members obtaining their highest level of health. Upon review, PHP creates a Coverage Recommendation (CORE) form detailing which groups are impacted by the disparity, the research surrounding the disparity, and recommendations from professional organizations. PHP Health Equity COREs are updated regularly and can be found online [here](#).

## BILLING GUIDELINES AND CODING

The following CPT codes may be considered medically necessary when billed with instructions listed in the [“Billing Guidelines Appendix”](#) below.

CODES*		
Shaving Procedures		
CPT	11300	Shaving of epidermal or dermal lesion, single lesion, trunk, arms or legs; lesion diameter 0.5 cm or less
	11301	Shaving of epidermal or dermal lesion, single lesion, trunk, arms, or legs; lesion diameter 0.6 to 1.0 cm
	11302	Shaving of epidermal or dermal lesion, single lesion, trunk, arms, or legs; lesion diameter 1.1 to 2.0 cm
	11303	Shaving of epidermal or dermal lesion, single lesion, trunk, arms, or legs; lesion diameter over 2.0 cm
	11305	Shaving of epidermal or dermal lesion, single lesion, scalp, neck, hands, feet, genitalia; lesion diameter 0.5 cm or less
	11306	Shaving of epidermal or dermal lesion, single lesion, scalp, neck, hands, feet, genitalia; lesion diameter 0.6 to 1.0 cm
	11307	Shaving of epidermal or dermal lesion, single lesion, scalp, neck, hands, feet, genitalia; lesion diameter 1.1 to 2.0 cm
	11308	Shaving of epidermal or dermal lesion, single lesion, scalp, neck, hands, feet, genitalia; lesion diameter over 2.0 cm
	11310	Shaving of epidermal or dermal lesion, single lesion, face, ears, eyelids, nose, lips; lesion diameter 0.5 cm or less
	11311	Shaving of epidermal or dermal lesion, single lesion, face, ears, eyelids, nose, lips; lesion diameter 0.6 to 1.0 cm
	11312	Shaving of epidermal or dermal lesion, single lesion, face, ears, eyelids, nose, lips; lesion diameter 1.1 to 2.0 cm

	11313	Shaving of epidermal or dermal lesion, single lesion, face, ears, eyelids, nose, lips; lesion diameter over 2.0 cm
<b>Excision of Benign Lesion Procedures</b>		
	11400	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 0.5 cm or less
	11401	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 0.6 to 1.0 cm
	11402	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 1.1 to 2.0 cm
	11403	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 2.1 to 3.0 cm
	11404	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 3.1 to 4.0 cm
	11406	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter over 4.0 cm
	11420	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 0.5 cm or less
	11421	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 0.6 to 1.0 cm
	11422	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 1.1 to 2.0 cm
	11423	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 2.1 to 3.0 cm
	11424	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 3.1 to 4.0 cm
	11426	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter over 4.0 cm
	11440	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips; excised diameter 0.5 cm or less
	11441	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips; excised diameter 0.6 to 1.0 cm
	11442	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips; excised diameter 1.1 to 2.0 cm
	11443	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips; excised diameter 2.1 to 3.0 cm
	11444	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips; excised diameter 3.1 to 4.0 cm
	11446	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips; excised diameter over 4.0 cm
<b>Excision of Benign Lesion Procedures</b>		
	17106	Destruction of cutaneous vascular proliferative lesions (eg, laser technique); less than 10 sq cm
	17107	Destruction of cutaneous vascular proliferative lesions (eg, laser technique); 10.0 to 50.0 sq cm
	17108	Destruction of cutaneous vascular proliferative lesions (eg, laser technique); over 50.0 sq cm

17110	Destruction (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery, surgical curettement), of benign lesions other than skin tags or cutaneous vascular proliferative lesions; up to 14 lesions
17111	Destruction (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery, surgical curettement), of benign lesions other than skin tags or cutaneous vascular proliferative lesions; 15 or more lesions

**\*Coding Notes:**

- The above code list is provided as a courtesy and may not be all-inclusive. Inclusion or omission of a code from this policy neither implies nor guarantees reimbursement or coverage. Some codes may not require routine review for medical necessity, but they are subject to provider contracts, as well as member benefits, eligibility and potential utilization audit.
- All unlisted codes are reviewed for medical necessity, correct coding, and pricing at the claim level. If an unlisted code is submitted for non-covered services addressed in this policy then it will be **denied as not covered**. If an unlisted code is submitted for potentially covered services addressed in this policy, to avoid post-service denial, **prior authorization is recommended**.
- See the non-covered and prior authorization lists on the Company [Medical Policy, Reimbursement Policy, Pharmacy Policy and Provider Information website](#) for additional information.
- HCPCS/CPT code(s) may be subject to National Correct Coding Initiative (NCCI) procedure-to-procedure (PTP) bundling edits and daily maximum edits known as “medically unlikely edits” (MUEs) published by the Centers for Medicare and Medicaid Services (CMS). This policy does not take precedence over NCCI edits or MUEs. Please refer to the CMS website for coding guidelines and applicable code combinations.

## REFERENCES

1. Roche N, Monstrey S, Matton G. Pilomatricoma in children: common but often misdiagnosed. *Acta Chirurgica Belgica*. 2010;110(2):250-254
2. Guinot Moya R, Valmaseda Castellón E, Berini Aytés L, Gay Escoda C. Pilomatrixoma: review of 205 cases. *Medicina Oral, Patología Oral y Cirugía Bucal*, 2010, vol 16, num 4, p 552-555. 2010
3. Tran M, Richer V. Elective Treatment of Dermatoses Papulosa Nigra: A Review of Treatment Modalities. *Skin Therapy Letter*. 2020;25(4):1-5

## POLICY REVISION HISTORY

DATE	REVISION SUMMARY
6/2025	New policy
12/2025	Updates to groups in Billing Guidelines Appendix

## BILLING GUIDELINES APPENDIX

### Medically Necessary Diagnosis Codes

Benign skin lesion removal may be considered medically necessary when billed with any diagnosis code listed per instructions [Group 1](#), [Group 2](#) or [Group 3](#). If a diagnosis code not listed in Group 1, 2, or 3 is billed, then the claim is considered not medically necessary.

**Group 1 - Instructions:** If one of the below diagnosis codes is billed, the claim may be considered medically necessary. No other diagnosis code is required.

CPT CODES	Diagnosis Codes
11300, 11301-11313, 11400-11406, 11420-11426, 11440-11446, 17110 and 17111	A630
	B070
	B078
	B079
	D170
	D171
	D1721
	D1722
	D1723
	D1724
	D485
	L281
	L565
	L720
	L723
	L820
	L980
	Q170
	Q810
	Q811
	Q812
	Q818
	Q819

**Group 2 - Instructions:** Diagnoses from Column A must be accompanied by one of the diagnoses from Column B to be considered medically necessary. (Diagnosis codes from either column can be in any code position).

CPT CODES	A	B
11300, 11301-11313, 11400-11406, 11420-11426, 11440-11446, 17110 and 17111	D1801	B781
	D220	D485
	D22111	D492
	D22112	E832
	D22121	K122
	D22122	L0201
	D2221	L0211
	D2222	L02211
	D2239	L02212
	D224	L02213
	D225	L02214
	D2261	L02215



	D2262	L02216
	D2271	L0231
	D2272	L02411
	D229	L02412
		L02413
		L02414
		L02415
		L02416
		L02511
		L02512
		L02611
		L02612
		L02811
		L02818
		L03111
		L03112
		L03113
		L03114
		L03115
		L03116
		L03121
		L03122
		L03123
		L03124
		L03125
		L03126
		L03211
		L03212
		L03221
		L03222
		L03311
		L03312
		L03313
		L03314
		L03315
		L03316
		L03317
		L03321
		L03322
		L03323
		L03324
		L03325
		L03326
		L03327
		L03811
		L03818
		L03891

		L03898 L0882 L0889 L089 L26 L299 L304 L538 L539 L54 L920 L951 L982 L983 R200 R201 R202 R203 R208 R58
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**Group 3 - Instructions:** If one of the below diagnosis codes is billed, the claim may be considered medically necessary. No other diagnosis code is required. The following ICD-10-CM codes are the only malignant diagnoses that are appropriate and their use is limited to CPT codes 11300-11313.

CPT CODES	Diagnosis Codes
11301-11313	C4A0 C4A111 C4A112 C4A121 C4A122 C4A21 C4A22 C4A31 C4A39 C4A4 C4A51 C4A52 C4A59 C4A61 C4A62 C4A71 C4A72 C4A8 C4A9 C4400

C4401
C4402
C4409
C44101
C441021
C441022
C441091
C441092
C441121
C441122
C441191
C441192
C441221
C441222
C441291
C441292
C441921
C441922
C441991
C441992
C44202
C44209
C44212
C44219
C44222
C44229
C44291
C44292
C44299
C44300
C44301
C44309
C44310
C44311
C44319
C44320
C44321
C44329
C44390
C44391
C44399
C4440
C4441
C4442
C4449
C44500
C44501

	C44509
	C44510
	C44511
	C44519
	C44520
	C44521
	C44529
	C44590
	C44591
	C44599
	C44601
	C44602
	C44609
	C44612
	C44619
	C44622
	C44629
	C44691
	C44692
	C44699
	C44701
	C44702
	C44709
	C44712
	C44719
	C44722
	C44729
	C44791
	C44792
	C44799
	C4480
	C4481
	C4482
	C4489
	C4490
	C4491
	C4492
	C4499
	C510
	C511
	C512
	C518
	C519
	C52
	C577
	C578
	C579

	C600
	C601
	C602
	C608
	C609
	C632
	C637
	C638
	C639
	D03111
	D03112
	D03121
	D03122
	D040
	D04111
	D04112
	D04121
	D04122
	D0421
	D0422
	D0430
	D0439
	D044
	D045
	D0461
	D0462
	D0471
	D0472
	D048
	D049