

Dermatologic Conditions, Surgical 09

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Coverage Policy Surgical 09
Version 10

All requests for authorization for the services described by this medical policy will be reviewed per Early and Periodic Screening, Diagnostic and Treatment (EPSDT) guidelines. These services may be authorized under individual consideration for Medicaid members under the age of 21-years if the services are judged to be medically necessary to correct or ameliorate the member's condition. Department of Medical Assistance Services (DMAS), Supplement B - EPSDT (Early and Periodic Screening, Diagnosis and Treatment) Manual.*.

Description & Definitions:

Skin lesions, including: moles, skin tags, fibromas, tumors, keloids, and cysts are removed from an individual's body either surgically or with treatments including, but not limited to, corticosteroids, cryotherapy, etc.

A skin biopsy is a medical procedure that removes a small sample of tissue to examine for damage or disease.

Epidermal Nerve Fiber Density Testing is a measurement of intra-epidermal nerve fiber density (IENFD) by skin punch biopsy where a small specimen is used to identify the amount of nerve fibers in the skin.

Criteria:

Dermatologic Conditions (treatments, removal, laser therapy, dermoscopy or biopsy) are considered medically necessary for indications of **1 or more** of the following:

- **Biopsy of skin lesions (11104, 11105)** may be indicated for **1 or more** of the following:
 - An unexplained rash that did not improve with treatment
 - Open sores that did not heal with treatment
 - A skin growth or mole that has changed in size, color or shape
 - A skin growth or mole that appears to potentially be a melanoma
 - Rough, scaly or blistering skin that did not improve with treatment
- **Epidermal nerve fiber density testing (ENFD) (11100, 11101, 11104, 11105, 88356)** is considered medically necessary for individuals with suspected small fiber neuropathy and **ALL** of the following:
 - Painful sensory neuropathy
 - Physical examination shows no evidence of findings consistent with large-fiber neuropathy, such as reduced or absent muscle-stretch reflexes or reduced proprioception and vibration sensation
 - Electromyography studies are normal and show no evidence of large fiber neuropathy

- Autonomic testing is normal and show no evidence of large fiber neuropathy
- Nerve conduction velocity studies are normal and show no evidence of large fiber neuropathy
- **Fractional ablative laser (Carbon Dioxide Laser Therapy) (0479T, 0480T)** is considered medically necessary for **1 or more** of the following:
 - Actinic keratosis when failed treatments include **1 or more** of the following:
 - Topical imiquimod or 5-fluorouracil with or without tretinoin cream
 - Cryosurgery with liquid nitrogen
 - Curettage or excision when squamous cell carcinoma is suspected
 - Chemical peel
 - Dermabrasion
 - Photodynamic therapy (PDT)
 - Condylomata acuminata (anogenital warts)
 - Hidradenitis Suppurativa
 - Pyogenic granuloma in the face and neck
 - Superficial basal cell carcinomas of the skin
 - Scar revisions post burn scar or traumatic scar with **ALL** of the following:
 - Procedure is being done by a plastic surgeon
 - Individual has functional impairment
 - Individual has tried and failed at least **1 or more** of the following:
 - Silicone gel
 - Pressure garments
 - Sheeting
- **Handheld or digital dermoscopy (96904)** may be indicated for **1 or more** of the following:
 - Alopecia
 - Nonpigmented skin lesion, and clinical suspicion of skin cancer
 - Pigmented skin lesion, and need for initial evaluation
 - Pigmented skin lesion, and need for follow-up or surveillance (ie, nevi), as indicated by **1 or more** of the following:
 - Major atypical, pigmented (highly suspicious, highly atypical) skin lesions
 - Minor atypical, pigmented skin lesions
 - Moderate atypical, pigmented (eg, multiple lesions, high-risk patient) skin lesions
 - Systemic sclerosis, and need for evaluation of nailfold capillaries, as indicated by **ALL** of the following:
 - Individual diagnosed with systemic sclerosis by rheumatologist
 - Skin involvement distal to metacarpophalangeal joints
- **Initial Excimer Laser Therapy and Pulse-dye Laser Therapy** is considered medically necessary for **1 or more** of the following:
 - **Initial Excimer Laser Therapy (96920, 96921, 96922)** as indicated by **ALL** of the following:
 - **Treatment of mild to moderate localized plaque psoriasis** as indicated by **ALL** of the following:
 - Refractory to conservative treatment with topical agents and/or phototherapy.
 - Affecting 10 percent or less of body
 - **Treatment of vitiligo** indicated as indicated by **ALL** of the following:
 - Refractory to conservative treatment including **ALL** of the following:
 - An eight week trial of one topical corticosteroid
 - A twelve week trial of one topical calcineurin inhibitor (e.g., tacrolimus 0.03% or 0.1% ointment, pimecrolimus 1% cream)
 - **Initial Pulse-dye Laser Therapy/ YAG laser (17106, 17107, 17108)** is considered medically necessary for **1 or more** of the following:
 - Acne keloidalis nuchae (AKN) with extensive scarring observed in plaque or tumor stage
 - Genital warts when home therapy with **1 or more** of the following has been unsuccessful:
 - Podophyllotoxin
 - Imiquimod
 - Granuloma faciale
 - Hidradenitis Suppurativa
 - Keloid or other hypertrophic scars resulting in substantial loss of function

- Keloids/Hypertrophic scars cause substantial pain necessitating constant pain relief medication
- Hair removal for recurrent pilonidal cyst
- Mild-to-moderate localized plaque psoriasis
- Multiple cutaneous and/or deep tissue hemangiomas, port wine stains and other vascular malformation (e.g., venous, arteriovenous, lymphatic) on the face and neck where surgical removal is not feasible
- Numerous glomangiomas superficially located in the face and neck where surgical removal is not feasible
- Penile intraepithelial neoplasia
- Pyogenic granuloma in the face and neck
- Refractory Actinic keratoses
- Verrucae (warts) when standard treatments have failed
- **Repeat or continued Excimer Laser Therapy (96920, 96921, 96922) or Pulse-dye Laser Therapy/ YAG laser (17106, 17107, 17108) for 1 or more of the following:**
 - **Treatment of mild to moderate localized plaque psoriasis** is considered medically necessary with **ALL** of the following:
 - No more than 13 laser treatments per course or three courses per year
 - Individual has documentation showing favorable clinical response to initial course of laser therapy
 - **Treatment of vitiligo** is considered medically necessary with **ALL** of the following:
 - No more than 200 total treatments
 - Individual has documentation showing favorable clinical response to initial course of laser therapy
- **Radiation Treatment (77401 – 77417, 77431) for Selected Nononcologic Indications** are considered medically necessary for **1 or more** of the following:
 - Adjunctive therapy immediately following excisional surgery (within 7 days) treatment of keloids
 - Orbital radiotherapy with severe Graves' ophthalmopathy

Dermatologic Conditions (treatments, removal, laser therapy, dermoscopy or biopsy) are considered contraindicated and/or not medically necessary for any use other than those indicated in clinical criteria, to include but not limited to:

- Carbon Dioxide (CO2) Laser for Hailey-Hailey Disease
- Destruction of cutaneous or intraneural neurofibroma (more than 50 on the face, head, and neck, or more than 100 on the trunk and extremities) **0419T, 0420T**
- Epidermal Nerve Fiber Density Testing to detect preclinical small fiber neuropathy in asymptomatic members with any of the following:
 - Diabetes
 - impaired glucose intolerance
 - hypothyroid persons, and for evaluation of individuals with Fabry disease, not an exclusive list) known to cause peripheral neuropathy
 - hereditary transthyretin (TTR) amyloidosis and iatrogenic TTR amyloidosis
 - Ehlers-Danlos syndromes
 - Fabry disease
 - fibromyalgia
 - postural tachycardia syndrome
 - REM sleep behavior disorder
 - For monitoring disease progression or response to treatment
 - Sweat gland nerve fiber density for the diagnosis of small-fiber neuropathy and other indications
 - Diagnosis of endometriosis
- Keloids that result from a cosmetic procedure such as body piercing
- Non-symptomatic Benign Skin Lesions or tumors
- Non-symptomatic Port Wine stains are considered cosmetic
- Non-symptomatic plantar and venereal warts
- Photodynamic therapy (PDT) for the following:
 - Actinic cheilitis
 - Actinic dermatitis
 - Condyloma (genital warts)

- Darier's disease (keratosis follicularis)
- Disseminated superficial actinic porokeratosis
- Dyspigmentation
- Endodontic infections
- Extra-mammary Paget's disease (e.g., Paget's disease of the vulva)
- Granulomatous dermatitis
- Herpes labialis
- Hidradenitis suppurativa
- Human papilloma virus infection
- Intra-ocular choroidal metastases
- Keratitis
- Liposclerosis (lipodermatosclerosis)
- Mycosis fungoides
- Nekam's disease (also known as keratosis lichenoides chronica)
- Onychomycosis
- Photoaging
- Plantar wart
- Psoriasis
- Rosacea
- Scarring
- Sebaceous hyperplasia
- Squamous Cell Carcinoma in the Head and Neck
- Superficial mycosis
- Wound healing
- Non-symptomatic keloids
- Visual image analysis, electrical impedance devices, multispectral image analysis, ultrasound, or other optical methods (e.g., optical coherence tomography [OCT], reflectance confocal microscopy [RCM]) for the early detection or monitoring of melanoma **(96931 – 96936)**
- Whole body integumentary photography **(96904)**

Document History:

Revised Dates:

- 2025: May – Implementation date of August 1, 2025. Coding and criteria updates. References updated.
- 2025: April – Implementation date of July 1, 2025. Criteria updated references updated
- 2025: March – Implementation date of 6/1/2025. Add exclusions from Photodynamic Therapy for Oncologic and Dermatologic Conditions and notes to reference MCG Photodynamic Therapy, Skin (A-0254)
- 2025: January – criteria updated codes updated references updated
- 2024: September – Added codes and criteria for skin biopsies, and Epidermal Nerve Fiber testing
- 2024: June – expanded criteria references updated
- 2022: May, July
- 2020: June
- 2016: January, March
- 2015: October
- 2014: August
- 2013: February
- 2012: August
- 2011: October
- 2010: August
- 2009: August
- 2008: August
- 2006: December
- 2003: October
- 2000: November
- 1998: February, October
- 1996: January

Reviewed Dates:

- 2022: 2023: May
- 2021: May
- 2020: March
- 2018: April, May
- 2017: January
- 2015: August
- 2014: October
- 2013: August
- 2011: August
- 2007: August
- 2006: May, October
- 2005: August
- 2004: October, December
- 2003: September
- 2002: September
- 2001: December
- 1999: October
- 1994: February

Origination Date:

- August 1991

Coding:

Medically necessary with criteria:

Coding	Description
0479T	Fractional ablative laser fenestration of burn and traumatic scars for functional improvement; first 100 cm2 or part thereof, or 1% of body surface area of infants and children
0480T	Fractional ablative laser fenestration of burn and traumatic scars for functional improvement; each additional 100 cm2, or each additional 1% of body surface area of infants and children, or part thereof (List separately in addition to code for primary procedure)
11104	Punch biopsy of skin (including simple closure, when performed); single lesion.
11105	Punch biopsy of skin (including simple closure, when performed); each separate/additional lesion (List separately in addition to code for primary procedure)
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
96920	Laser treatment for inflammatory skin disease (psoriasis); total area less than 250 sq cm
96921	Laser treatment for inflammatory skin disease (psoriasis); 250 sq cm to 500 sq cm
96922	Laser treatment for inflammatory skin disease (psoriasis); over 500 sq cm
96999	Unlisted special dermatological service or procedure
97039	Unlisted modality (specify type and time if constant attendance)

Considered Not Medically Necessary:

Coding	Description
O419T	Destruction neurofibroma, extensive, (cutaneous, dermal extending into subcutaneous); face, head and neck, greater than 50 neurofibromas
O420T	Destruction neurofibroma, extensive, (cutaneous, dermal extending into subcutaneous); trunk and extremities, extensive, greater than 100 neurofibromas
S8948	Application of a modality (requiring constant provider attendance) to one or more areas; low-level laser; each 15 minutes
96904	Whole body integumentary photography, for monitoring of high risk patients with dysplastic nevus syndrome or a history of dysplastic nevi, or patients with a personal or familial history of melanoma
96931	Reflectance confocal microscopy (RCM) for cellular and sub-cellular imaging of skin; image acquisition and interpretation and report, first lesion
96932	Reflectance confocal microscopy (RCM) for cellular and sub-cellular imaging of skin; image acquisition only, first lesion
96933	Reflectance confocal microscopy (RCM) for cellular and sub-cellular imaging of skin; interpretation and report only, first lesion
96934	Reflectance confocal microscopy (RCM) for cellular and sub-cellular imaging of skin; image acquisition and interpretation and report, each additional lesion (List separately in addition to code for primary procedure)
96935	Reflectance confocal microscopy (RCM) for cellular and sub-cellular imaging of skin; image acquisition only, each additional lesion (List separately in addition to code for primary procedure)
96936	Reflectance confocal microscopy (RCM) for cellular and sub-cellular imaging of skin; interpretation and report only, each additional lesion (List separately in addition to code for primary procedure)

U.S. Food and Drug Administration (FDA) - approved only products only.

The preceding codes are included above for informational purposes only and may not be all inclusive. Additionally, inclusion or exclusion of a treatment, procedure, or device code(s) does not constitute or imply member coverage or provider reimbursement.

Special Notes: *

- Coverage: See the appropriate benefit document for specific coverage determination. Member specific benefits take precedence over medical policy.
- Application to Products: Policy is applicable to Sentara Health Plan Virginia Medicaid products.
 - Check Plan documents as some groups consider plantar wart treatment a non-covered benefit.
 - See MCG Photodynamic Therapy, Skin (A-0254) – CPT 96567, 96573, 96574
- Authorization Requirements: Pre-certification by the Plan is required.
- Special Notes:
 - Medicaid
 - This medical policy express Sentara Health Plan's determination of medically necessity of services, and they are based upon a review of currently available clinical information. These policies are used when no specific guidelines for coverage are provided by the Department of Medical Assistance Services of Virginia (DMAS). Medical Policies may be superseded by state Medicaid Plan guidelines. Medical policies are not a substitute for clinical judgment or for any prior authorization requirements of the health plan. These policies are not an explanation of benefits.
 - Medical policies can be highly technical and complex and are provided here for informational purposes. These medical policies are intended for use by health care professionals. The medical policies do not constitute medical advice or medical care. Treating health care professionals are solely responsible for diagnosis, treatment and medical advice. Sentara Health Plan members should discuss the information in the medical policies with their treating health care professionals. Medical technology is constantly evolving and these medical policies are subject to change

without notice, although Sentara Health Plan will notify providers as required in advance of changes that could have a negative impact on benefits.

- The Early and Periodic Screening, Diagnostic and Treatment (EPSDT) covers services, products, or procedures for children, if those items are determined to be medically necessary to “correct or ameliorate” (make better) a defect, physical or mental illness, or condition (health problem) identified through routine medical screening or examination, regardless of whether coverage for the same service or support is an optional or limited service under the state plan. Children enrolled in the FAMIS Program are not eligible for all EPSDT treatment services. All requests for authorization for the services described by this medical policy will be reviewed per EPSDT guidelines. These services may be authorized under individual consideration for Medicaid members under the age of 21-years if the services are judged to be medically necessary to correct or ameliorate the member’s condition. Department of Medical Assistance Services (DMAS), Supplement B - EPSDT (Early and Periodic Screening, Diagnosis and Treatment) Manual.
- Service authorization requests must be accompanied by sufficient clinical records to support the request. Clinical records must be signed and dated by the requesting provider within 60 days of the date of service requested.

References:

Including but not limited to: Specialty Association Guidelines; Government Regulations; Winifred S. Hayes, Inc; UpToDate; Literature Review; Specialty Advisors; National Coverage Determination (NCD); Local Coverage Determination (LCD).

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https://dermoscopedia.org/Two-step_algorithm

Keywords:

Lesion, Wart(s), Keloid, Skin tag(s), Mole(s), SHP Skin Lesions/Keloids/Warts/Dermoscopy, SHP Surgical 09, electron beam radiotherapy, benign, malignant, cutaneous neurofibroma, intraneural neurofibroma, tumor, congenital dermal sinus, dermoidal cysts, nevus sebaceous of Jadassohn, sudden growth, sudden enlargement, color changes, bleeding, inflammation, pruritic, pain, skintags, skin tags, Handheld dermoscopy, digital dermoscopy, Nonpigmented skin lesion, pigmented skin lesion, Biopsies, Epidermal Nerve Fiber Density testing