

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Post Office Box 8206
Columbia, South Carolina 29202-8206
www.scdhhs.gov
December 21, 2009

Phys
OMP
MC
Hosp

MEDICAID BULLETIN

TO: Providers Indicated

SUBJECT: Revised Policy for Lesion Removal/Dermal Anomalies

Effective with dates of service on or after January 1, 2010, the following criteria will **replace the current criteria** in the Lesion Removal policy located in Section 2 of the Physician, Laboratories and Medical Professionals Manual.

Excision/treatment of non-malignant dermal lesions and other anomalies are not routinely covered. However, Medicaid will provide coverage of the removal of these anomalies (ex: Keloid Scar, Scar Conditions/Fibrosis) if the therapy conforms with accepted treatment standards of the specific problem and meets **one** of the following conditions:

- The lesion is pre-cancerous or suspected to be cancerous by physical findings, appearance or changes in characteristics.
- The anomaly is symptomatic with documented history (ulceration, inflammation, infection, chronic itching) that results in **repeated office visits** for the condition.
- The anomaly causes pain, irritation, or numbness that results in functional impairment that interferes with activities of daily living.
- At least **two** alternate methods of treatment (ex: steroid injection, compression, silicon gel treatment etc.) have been attempted and found to be ineffective.
- The anomaly is responsible for the loss of a bodily function and treatment restores the disabled function.

Medicaid Bulletin
Page 2

Support documentation is required to be submitted with each claim for lesion and dermal anomaly removal/revision, diagnosis codes 701.4 and 709.2. Medicaid will **not** cover treatment that is considered to be experimental or investigational (ie: chemical peels, cryosurgery, dermabrasion, punch grafts, bleomycin, interferon, and verapamil injections) or if the procedure is performed for cosmetic or for emotional purposes.

If you have any questions regarding this bulletin, please contact your program representative at either the Division of Physician Services at (803) 898-2660 or Hospital Services at (803) 898-2665. Thank you for your continued support and participation in the South Carolina Medicaid program.

/S/
Emma Forkner
Director

EF/mgvb

NOTE: To receive Medicaid bulletins by email, please register at <http://bulletin.scdhhs.gov/>.
To sign up for Electronic funds Transfer of your Medicaid payment, please go to:
<http://www.dhhs.state.sc.us/dhhsnew/hipaa/index.asp> and select "Electronic funds Transfer (EFT)" for instructions.