

LIPOMA REMOVAL

Policy # 58

Implementation Date: 9/1/11

Review Dates:

Revision Dates: 8/21/14, 2/6/17

Disclaimer:

1. Policies are subject to change without notice.
2. Policies outline coverage determinations for Select Health Commercial, Select Health Advantage (Medicare/CMS), and Select Health Community Care (Medicaid/CHIP) plans. Refer to the "Policy" section for more information.

Description

A lipoma is a benign fatty tumor usually composed of mature fat cells, found in the dermis, epidermis, subcutaneous tissue, and rarely found below the fascia (i.e., subfascial and sub-muscular).

Coding selection should be based on the location and specific depth of the lipoma. Most of these lesions are below the skin (dermis) but above the fascia. If the provider does not specify the lesion was below the fascia, codes for these procedures should come from the Integumentary section of the CPT manual. If the documentation indicates the lesion was below the fascia, the code description will indicate a "soft tissue lesion" was removed and the CPT code will be found under the specific anatomic location.

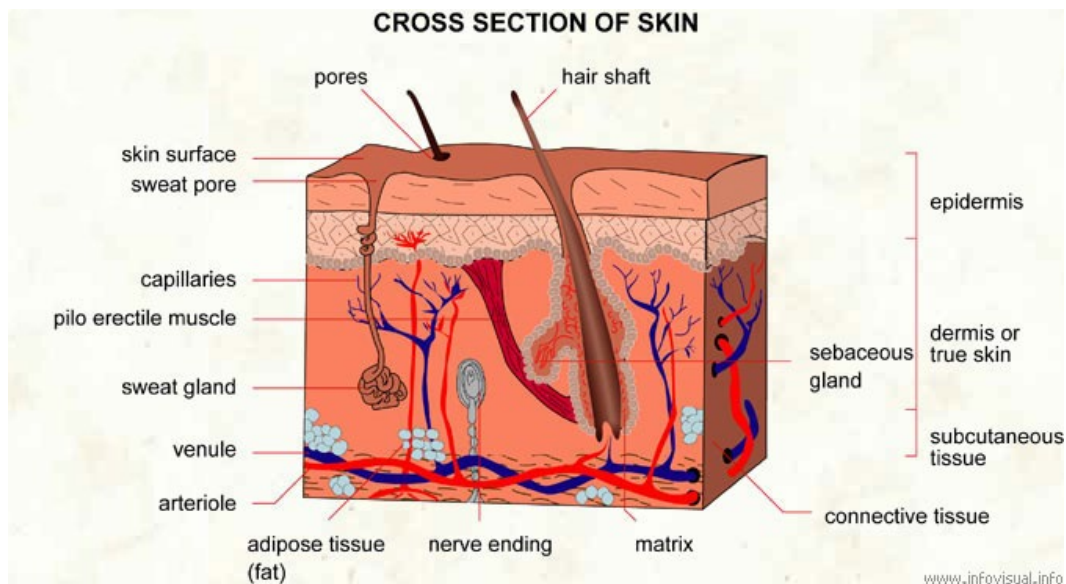
COMMERCIAL PLAN POLICY AND CHIP (CHILDREN'S HEALTH INSURANCE PROGRAM)

Payment for the services detailed in this Reimbursement Policy are conditional upon meeting the coverage criteria outlined in Select Health's Medical Policies.

Select Health **will cover the removal of lipomas when medically necessary when the provider has documented the lesion is causing a functional impairment.** Functional impairment is defined as pain of such magnitude or locations of the lesion that it impairs an individual's ability to perform their ADLs, limits mobility, or otherwise prevents normal function of a body part. The documentation should indicate the specific location and size of the lesion along with the symptoms reported by the member. This documentation is especially important because people who tend to have lipomas have several in many locations. It is not unusual for a surgeon to remove dozens of lipomas during a surgical encounter and not all of them meet the criteria for medical necessity.

If functional impairment is not identified, the removal of a lipoma is not covered, based on the cosmetic exclusion in the certificate of coverage. If there is a question regarding the medical necessity for lipoma removal, a clinical review is required.

To select the proper CPT code for the removal of a lipoma, it is necessary to understand the different layers of skin.



- If the lipoma is present in the epidermis or dermis (true skin), it would be appropriate to use an excision code from the integumentary system identified below:

CPT	Description (Integumentary System)
11400	Excision, benign lesion including margins, except skin tag (unless listed elsewhere), trunk, arms or legs; excised diameter 0.5 cm or less
11401	; excised diameter 0.6 to 1.0 cm
11402	; excised diameter 1.1 to 2.0 cm
11403	; excised diameter 2.1 to 3.0 cm
11404	; excised diameter 3.1 to 4.0 cm
11406	; 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	; excised diameter 0.6 to 1.0 cm
11422	; excised diameter 1.1 to 2.0 cm
11423	; excised diameter 2.1 to 3.0 cm
11424	; excised diameter 3.1 to 4.0 cm
11426	; excised diameter over 4.0 cm
11440	Excision, other benign lesion including margins, except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips, mucous membrane; excised diameter 0.5 cm or less
11441	; excised diameter 0.6 to 1.0 cm
11442	; excised diameter 1.1 to 2.0 cm
11443	; excised diameter 2.1 to 3.0 cm
11444	; excised diameter 3.1 to 4.0 cm
11446	; excised diameter over 4.0 cm

- If the lipoma is in the subcutaneous tissue below the dermis and epidermis, it would be appropriate to use one of the following codes:

CPT	Description (Musculoskeletal System - Subcutaneous)
21011	Excision, tumor, soft tissue of face or scalp, subcutaneous; less than 2 cm
21012	; 2 cm or greater
21552	Excision, tumor, soft tissue of neck or anterior thorax, subcutaneous; 3 cm or greater
21555	; less than 3 cm
21930	Excision, tumor, soft tissue of back or flank, subcutaneous; less than 3 cm
21931	; 3 cm or greater
22902	Excision, tumor, soft tissue of abdominal wall, subcutaneous; less than 3 cm
22903	; 3 cm or greater
23071	Excision, tumor, soft tissue of shoulder area, subcutaneous; 3 cm or greater
23075	; less than 3 cm
24071	Excision, tumor, soft tissue of upper arm or elbow area, subcutaneous; 3 cm or greater
24075	; less than 3 cm
25071	Excision, tumor, soft tissue of forearm and/or wrist area, subcutaneous; 3 cm or greater
25075	; less than 3 cm
26111	Excision, tumor or vascular malformation, soft tissue of hand or finger, subcutaneous; 1.5 cm or greater
26115	; less than 1.5 cm
27043	Excision, tumor, soft tissue of pelvis and hip area, subcutaneous; 3 cm or greater
27047	; less than 3 cm
27327	Excision, tumor, soft tissue of thigh or knee area, subcutaneous; less than 3 cm
27337	; 3 cm or greater
27618	Excision, tumor, soft tissue of leg or ankle area, subcutaneous; less than 3 cm
27632	; 3 cm or greater
28039	Excision, tumor, soft tissue of foot or toe, subcutaneous; 1.5 cm or greater
28043	; less than 1.5 cm

- If a lipoma is below the epidermis, dermis, and subcutaneous layers of skin (i.e., in a subfascial or a sub-muscular tissue), an appropriate code from the following list would be appropriate:

CPT	Description (Musculoskeletal System – Subfascial/Submuscular)
21013	Excision, tumor, soft tissue of face and scalp, subfascial (eg, sub-galeal, intramuscular); less than 2 cm
21014	; 2 cm or greater
21554	Excision, tumor, soft tissue of neck or anterior thorax, subfascial (eg, intramuscular); 5 cm or greater
21556	; less than 5 cm

21932	Excision, tumor, soft tissue of back or flank, subfascial (eg, intramuscular); less than 5 cm
21933	; 5 cm or greater
22900	Excision, tumor, soft tissue of abdominal wall, subfascial (eg, intramuscular); less than 5 cm
22901	; 5 cm or greater
23073	Excision, tumor, soft tissue of shoulder area, subfascial (eg, intramuscular); 5 cm or greater
23076	; less than 5 cm
24073	Excision, tumor, soft tissue of upper arm or elbow area, subfascial (eg, intramuscular); 5 cm or greater
24076	; less than 5 cm
25073	Excision, tumor, soft tissue of forearm and/or wrist area, subfascial (eg, intramuscular); 3 cm or greater
25076	; less than 3 cm
26113	Excision, tumor, soft tissue, or vascular malformation, of hand or finger, subfascial (eg, intramuscular); 1.5 cm or greater
26116	; less than 1.5 cm
27045	Excision, tumor, soft tissue of pelvis and hip area, subfascial (eg, intramuscular); 5 cm or greater
27048	; less than 5 cm
27328	Excision, tumor, soft tissue of thigh or knee area, subfascial (eg, intramuscular); less than 5 cm
27339	; 5 cm or greater
27619	Excision, tumor, soft tissue of leg or ankle area, subfascial (eg, intramuscular); less than 5 cm
27634	; 5 cm or greater
28041	Excision, tumor, soft tissue of foot or toe, subfascial (eg, intramuscular); 1.5 cm or greater
28045	; less than 1.5 cm

It should be noted at this time, that the above-listed code (i.e., subfascial/submuscular) would usually be done in an outpatient or hospital location as there is usually general anesthesia required.

Upon review and/or post-payment review, Select Health will request return of any overpayment as appropriate.

SELECT HEALTH ADVANTAGE (MEDICARE/CMS)

Select Health Advantage **will follow the commercial plan policy.**

SELECT HEALTH COMMUNITY CARE (MEDICAID)

Select Health Community Care **will follow the commercial plan policy.**

Applicable Codes

CPT (identified above), HCPCS, ICD-9-CM

Sources

1. *Current Procedural Terminology (CPT®)*, (2014) – American Medical Association
2. ICD-9-CM Coding Guidelines. (2013, January 1). Retrieved July 8, 2014, from https://www.encoderpro.com/epro/physicianDoc/pdf/i9v1/i9_guidelines.pdf
3. *Reporting of Cutaneous Excision Pending Pathology*, CPT® Assistant May 2012 p.13.
4. *Surgery: Integumentary/ Musculoskeletal System*, CPT® Assistant January 2010 pp. 3-5
5. *Excision of Subcutaneous Soft Tissue Tumors*, CPT® Assistant August 2006 pp. 12-14
6. *Cross Section of Skin* – (2011) The Visual Dictionary http://www.infovisual.info/03/036_en.html- applies

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