MEDICAL COVERAGE POLICY
SERVICE: Dermatoscopy

Policy Number:	**049**
Effective Date:	**03/01/2025**
Last Review:	**02/10/2025**
Next Review:	**02/10/2026**

Important note: *Unless otherwise indicated, medical policies will apply to all lines of business. Medical necessity as defined by this policy does not ensure the benefit is covered. This medical policy does not replace existing federal or state rules and regulations for the applicable service or supply. In the absence of a controlling federal or state coverage mandate, benefits are ultimately determined by the terms of the applicable benefit plan documents. See the member plan specific benefit plan document for a complete description of plan benefits, exclusions, limitations, and conditions of coverage. In the event of a discrepancy, the plan document always supersedes the information in this policy.*

SERVICE: Dermatoscopy

PRIOR AUTHORIZATION: Not applicable.

POLICY: Please review the plan's EOC (Evidence of Coverage) or Summary Plan Description (SPD) for coverage details.

Note: Unless otherwise indicated (see below), this policy will apply to all lines of business.

For Medicare plans, please refer to appropriate Medicare NCD (National Coverage Determination) or LCD (Local Coverage Determination). Medicare NCD or LCD specific InterQual criteria may be used when available. If there are no applicable NCD or LCD criteria, use the criteria set forth below.

For Medicaid plans, please confirm coverage as outlined in the Texas Medicaid Provider Procedures Manual | TMHP (TMPPM). If there are no applicable criteria to guide medical necessity decision making in the TMPPM, use the criteria set forth below.

BSWHP considers dermatoscopy (also known as dermoscopy, epiluminescence microscopy (ELM, DELM), skin surface microscopy, skin videomicroscopy, or incidence light microscopy) using either direct inspection, digitization of images, or computer-assisted analysis, **incidental to a dermatologic exam** and **not separately reimbursable**. There is no established code for this procedure.

BSWHP considers confocal microscopy, multi-photon laser scanning microscopy, reflectance confocal microscopy unproven because its clinical value has not been established.

BSWHP considers multispectral digital skin lesion analysis unproven because its clinical value has not been established.

BSWHP considers optical coherence tomography for microstructural and morphological imaging of skin unproven because its clinical value has not been established.

BACKGROUND:

Dermatoscopy describes a family of noninvasive techniques that allow in vivo microscopic examination of skin lesions and is intended to help distinguish between benign and malignant pigmented skin lesions. The technique involves application of immersion oil to the skin, which eliminates light reflection from the skin surface and renders the stratum corneum transparent. Using a magnifying lens, the structures of the epidermis and epidermal-dermal junction can then be visualized. A handheld or stereomicroscope may be used for direct visual examination. Digitization of photographic images, typically after initial visual assessment, permits storage and facilitates their retrieval, and is often used for comparison purposes if a lesion is being followed up over time.

A variety of dermatoscopic features have been identified that are suggestive of malignancy, including pseudopods, radial streaming, the pattern of the pigment network, and black dots. These features in combination with other standard assessment criteria of pigmented lesions, such as asymmetry, borders, and color, have been organized into algorithms to enhance the differential diagnosis of pigmented skin lesions. Dermatoscopic images may be assessed by direct visual examination or by review of standard, digitized or ultraviolet photographs. Digitization of images, either surface or dermatoscopic images, may permit qualitative image enhancement for better visual perception and discrimination of certain features, or actual computer-assisted diagnosis.

There is a lack of rigorous data that demonstrates the impact of this technology on clinical outcomes, and no studies were identified relating specifically to the use of ultraviolet photography used for dermatoscopy. While there is extensive literature regarding dermatoscopy, the literature is inconclusive regarding its clinical role in the management of pigmented skin lesions, (i.e., as a technique to either select or deselect lesions for excision), which is considered the gold standard. There is inadequate documentation regarding the clinical value of dermatoscopy in various clinical situations.

Confocal microscopy is similar to dermatoscopy, using a laser beam projected onto the skin and then detecting the light reflected. The reflected light is recorded as an image by a computer. Multispectral digital skin lesion analysis (MSDSLA) devices shine visible light on the suspicious lesion. The light is of 10 wavelengths. This light can penetrate up to 2.5 mm under the surface of the skin. The data acquired by the scanner are analyzed by a data processor; the characteristics of each lesion are evaluated using proprietary computer algorithms. Lesions are classified as positive (i.e., high degree of morphologic disorganization) or negative (i.e., low degree of morphologic disorganization) according to the algorithms. Positive lesions are recommended for biopsy.

Optical coherence tomography (OCT) is a non-invasive imaging technology that utilizes reflected light to produce cross-sectional subcutaneous images of tissue at a resolution equivalent to a low-power microscope. Doing so provides tissue morphology imagery at a higher resolution than MRI or ultrasound.

MANDATES: There are no mandated benefits or regulatory requirements for BSWHP to provide coverage for these services.

CODES:

Important note: *Due to the wide range of applicable diagnosis codes and potential changes to codes, an inclusive list may not be presented, but the following codes may apply. Inclusion of a code in this section does not guarantee that it will be reimbursed, and patient must meet the criteria set forth in the policy language.*

CPT Codes Not Covered:	96931- 96936 Reflectance confocal microscopy 96904 - Whole body integumentary photography

POLICY HISTORY:

Status	Date	Action
New	12/6/2010	New policy
Reviewed	12/6/2011	Reviewed.
Reviewed	10/4/2012	Reviewed.
Reviewed	5/23/2013	Revised references and codes
Reviewed	4/24/2014	No significant changes made.
Reviewed	4/30/2015	No changes made.
Reviewed	05/12/2016	Added confocal microscopy.
Reviewed	04/18/2017	No changes
Reviewed	02/27/2018	No changes
Reviewed	06/26/2019	Updated policy statement.
Reviewed	07/30/2020	Added language for FirstCare use
Reviewed	07/22/2021	No changes
Reviewed	06/23/2022	No changes
Reviewed	07/27/2023	No changes except to update codes
Reviewed	08/12/2024	Formatting changes, added hyperlink to TMPPM resources, beginning and ending note sections updated to align with CMS requirements and business entity changes.
Reviewed	02/10/2025	No changes

REFERENCES:

The following scientific references were utilized in the formulation of this medical policy. BSWHP will continue to review clinical evidence related to this policy and may modify it at a later date based upon the evolution of the published clinical evidence. Should additional scientific studies become available, and they are not included in the list, please forward the reference(s) to BSWHP so the information can be reviewed by the Medical Coverage Policy Committee (MCPC) and the Quality Improvement Committee (QIC) to determine if a modification of the policy is in order.

1. Bafounta, M., Beauchet, A., et al. Is dermoscopy (epiluminescence microscopy) useful in the diagnosis of melanoma?

Results of a meta-analysis using techniques adapted to the evaluation of diagnostic tests. Archives of Dermatology (2001) 137(10):1343-50.
2. Bono, A., Bartoli, C., et al. Melanoma detection. A prospective study comparing diagnosis with the naked eye, dermatoscopy and telespectrophometry. Dermatology (2002) 205(4):362-6.
3. Mackie, R.M., Fleming C., et al. The use of the dermatoscope to identify early melanoma using the three-colour test. British Journal of Dermatology (2002) 146(3):481-4.
4. Stolz, W., Semmelmayer, U., et al. Principles of dermatoscopy of pigmented skin lesions. Seminars in Cutaneous Medicine and Surgery (2003 March) 22(1):9-20.
5. Kuo, H.W., Ohara, K. Pigmented eccrine poroma: a report of two cases and study with dermatoscopy. Dermatologic Surgery (2003 October) 29(10):1076-9.
6. Anantha, M., Moss, R.H., et al. Detection of pigment network in dermatoscopy images using texture analysis. Computerized Medical Imaging and Graphics (2004 July) 28(5):225-34.
7. Fleischer, A.B. Dermatoscopy and the 51naked eye51. Journal of the American Academy of Dermatology (2005 January) 52(1):178-9.
8. Angenziano, G., Puig, S., et al. Dermoscopy improves accuracy of primary care physicians to triage lesions suggestive of skin cancer. Journal of Clinical Oncology (2006) 24(12):1877-82.
9. Bono. A., Tolomio, E., et al. Micro-melanoma detection: a clinical study on 206 consecutive cases of pigmented skin lesions with a diameter < or = 3 mm. British Journal of Dermatology (2006) 155(3):570-3.
10. Seidenari, S., Longo, C., et al. Clinical selection of melanocytic lesions for dermoscopy decreases the identification of suspicious lesions in comparison with dermoscopy without clinical preselection. British Journal of Dermatology (2006) 154(5):873-9.
11. Annessi, G., Bono, R., et al. Sensitivity, specificity, and diagnostic accuracy of three dermoscopic algorithmic methods in the diagnosis of doubtful melanocytic lesions: the importance of light brown structureless areas in differentiating atypical melanocytic nevi from thin melanomas. Journal of the American Academy of Dermatology (2007) 56(5):759-67.
12. Rakowska, A; Slowinska, M; Czuwara, J; Olszewska, M; Rudnicka, L . Dermoscopy as a tool for rapid diagnosis of monilethri". Journal of Drugs in Dermatology (2007) 6 (2): 222–4. PMID 17373184
13. Farnetani F, Scope A, Braun R, et al. Skin Cancer Diagnosis with Reflectance Confocal Microscopy Reproducibility of Feature Recognition and Accuracy of Diagnosis. JAMA Dermatol. 2015; 151(10):1075-1080