



**State of West Virginia**  
**DEPARTMENT OF HEALTH AND HUMAN RESOURCES**  
**Office of Inspector General**  
**Board of Review**  
**P. O. Box 1736**  
**Romney, WV 26757**

**Joe Manchin III**  
**Governor**

**Martha Yeager Walker**  
**Secretary**

May 15, 2006

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Ms. \_\_\_\_\_:

Attached is a copy of the findings of fact and conclusions of law on your hearing held April 20, 2006. Your appeal was based on the Department of Health and Human Resources' decision to deny pre-authorization coverage approval for a full body PET scan.

In arriving at a decision, the State Hearing Officer is governed by the Public Welfare Laws of West Virginia and the rules and regulations established by the Department of Health and Human Resources. These same laws and regulations are used in all cases to assure that all persons are treated alike.

Current Medicaid regulations provide as follows: The West Virginia (WV) Medicaid Program offers a comprehensive scope of medically necessary medical and mental health services to diagnose and treat eligible members. Specified services require prior approval and must be determined medically necessary and appropriate in order for the services to be covered. (West Virginia Bureau for Medical Services Provider Manual § 500)

The information submitted at the hearing reveals that the facility requesting prior approval failed to answer necessary questions to justify medical necessity and appropriateness.

It is the decision of the State Hearing Examiner to **uphold** the Department's action to deny payment for the (PET) scan.

Sincerely,

Sharon K. Yoho  
State Hearing Examiner  
Member, State Board of Review

cc: Chairman, Board of Review  
Barbara White, BMS

**WEST VIRGINIA DEPARTMENT OF HEALTH & HUMAN RESOURCES**

\_\_\_\_,

**Claimant,**

**v.**

**Action Number 06-BOR-1027**

**West Virginia Department of Health & Human Resources,**

**Respondent.**

**DECISION OF THE STATE HEARING EXAMINER**

**I. INTRODUCTION:**

This is a report of the State Hearing Officer resulting from a fair hearing concluded on April 20, 2006 for \_\_\_\_\_. This hearing was held in accordance with the provisions found in the Common Chapters Manual Chapter 700 of the West Virginia Department of Health and Human Resources. This fair hearing was originally convened on April 20, 2006 on a timely appeal filed January 24, 2006.

**II. PROGRAM PURPOSE:**

The program entitled Medicaid is set up cooperatively between the Federal and State Government and administered by the West Virginia Department of Health and Human Resources.

The 1965 Amendments to the Social Security Act established, under Title XIX, a Federal-State medical assistance program commonly known as Medicaid. The Department of Health and Human Resources administers the Medicaid Program in West Virginia in accordance with Federal Regulations. The Bureau for Medical Services, (BMS), is responsible for the development of regulations to implement Federal and State requirements for the program. The Department of Health & Human Resources processes claims for reimbursements to providers participating in the program.

**III. PARTICIPANTS:**

\_\_\_\_, Claimant

Barbara White, Claims Representative, BMS (appeared telephonically from BMS)

Oretta Keeney, WV Medical Institute, (WVMI)

Beverly Ford, WVMI

Sara Short, WVMI, observing

Presiding at the hearing was Sharon K. Yoho, State Hearing Examiner and a member of the State Board of Review.

**IV. QUESTION TO BE DECIDED:**

The question to be decided is whether the Department is correct in denying a request for Medicaid coverage for a Positron Emission Tomography Scan (PET).

**V. APPLICABLE POLICY:**

West Virginia BMS Provider Manual Chapter 502 and 514.3  
West Virginia BMS Provider Manual Chapter 320.3  
West Virginia BMS Provider Manual Chapter 500 intro.

**VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:**

- D-1 BMS Provider Manual Chapter 502 and 514.3
- D-2 Request for pre-authorization for PET scan coverage dated 12/15/05
- D-3 Request for reconsideration from [REDACTED] received December 19, 2005
- D-4 WVMI notes of medical necessity/appropriateness dated 12/21/05
- D-5 Letter from Department's reviewing physician, Dr. [REDACTED] dated 12/23/06
- D-6 Letter from [REDACTED] to Dr. [REDACTED] dated January 10, 2006
- D-7 Denial letter dated December 19, 2005
- D-8 Denial letter dated January 10, 2006

**VII. FINDINGS OF FACT:**

- 1) On December 15, 2005, WV University School of Medicine sent an urgent request to the Department for prior approval for coverage of a whole body (PET) scan that was recommended to be performed on \_\_\_\_.
- 2) The Department began review of the request on December 16, 2005 and reached the decision to deny the request. It was their contention that an Endoscopy, (EGD), evaluation should be performed first. A letter of denial, Exhibit D-8, was issued on December 19, 2005. This letter advised that, "If the service HAS ALREADY BEEN PROVIDED, the ordering physician and the provider have a right to reconsideration of this decision. If the service has HAS NOT BEEN PROVIDED, the recipient also has a right to request a reconsideration."
- 3) [REDACTED], CFNP, of WV University, issued a letter requesting reconsideration on December 19, 2005. She advised that there was a possible epigastric mass and a thickening of the right colon extending into the cecum. She explained that if there were an epigastric mass present, an (EGD) would present a strong potential for perforation and peritonitis that might require emergency surgery with poor outcomes. She further stated, "This would put the patient's life at risk".
- 4) In reviewing the reconsideration request, WVMI's physician, Dr. [REDACTED] issued a letter dated December 23, 2005 to Ms. [REDACTED] asking for an explanation as to why a colonoscopy would not be the next procedure to be done for examining thickening in the

right colon extending into the cecum.

- 5) Ms. [REDACTED] sent the response to Dr. [REDACTED]'s letter on January 10, 2006. This response failed to provide an answer to Dr. [REDACTED]'s question addressed above. Instead, Ms. [REDACTED]'s letter advised that the patient had decided to go ahead with the PET/CT scan on December 20, 2005 and pay out-of-pocket. She further advised that this test was followed up with a Colonoscopy and that both procedures were essentially unremarkable.
- 6) A second denial letter was issued by WVMI on January 10, 2006 stating that the physician reviewer found no evidence to support an indication for a (PET) of the whole body.
- 7) Ms. [REDACTED] explained that she believed that it was necessary for the (PET) scan to be performed before performing other types of tests that could cause any potential cancer to spread.
- 8) West Virginia Bureau for Medical Services Provider Manual § 500: INTRO:  
The West Virginia (WV) Medicaid Program offers a comprehensive scope of medically necessary medical and mental health services to diagnose and treat eligible members. Covered and authorized services must be rendered by enrolled providers within the scope of their license and in accordance with all State and Federal requirements. Any service, procedure, item, or situation not discussed in the manual must be presumed non-covered unless informed otherwise in writing by the Bureau for Medical Services (BMS).
- 9) West Virginia Bureau for Medical Services Provider Manual § 514.3:  
Prior Authorization Requirements for Imaging Procedures:  
Effective 10/01/05, prior authorization will be required on all outpatient Radiological/Nuclear Medicine services that include Computerized Tomography (CT), Magnetic Resonance Angiography (MRA), Magnetic Resonance Imaging (MRI), Positron Emission Tomography Scans (PET), and Magnetic Resonance Cholangiopancreatography (MRCP). Prior authorization requirements governing the provisions of all West Virginia Medicaid services will apply pursuant to Chapter 300 General Provider Participation Requirements, provider manual.  
  
Prior authorization must be obtained from West Virginia Medical Institute (WVMI) prior to the provision of the service. Failure to obtain prior authorization will result in denial of the service; the Medicaid member cannot be billed for failure to receive authorization for these services.
- 10) West Virginia Bureau for Medical Services Provider Manual § 320.3:  
Obtain Prior Authorization:  
It is the responsibility of the provider of the service to secure prior approval before rendering the service.  
The provider must submit written documentation demonstrating the medical necessity and appropriateness of the proposed treatment.

**VIII. CONCLUSIONS OF LAW:**

- 1) Policy provides that prior authorization is required for (PET) scans. The provider did issue a request for prior authorization, which was denied. The provider then issued a request for reconsideration but did not follow through with information needed by WVMI to determine if the medical procedure was necessary and appropriate.
- 2) The Department followed proper policy and procedures in their processing of the request and their ultimate denial was due to the provider's failure to document and demonstrate the medical necessity and appropriateness of the proposed treatment.

**IX. DECISION:**

It is the decision of the State Hearing Officer to **uphold** the Department's denial of the request for payment authorization through the Medicaid Program for the (PET) scan.

**X. RIGHT OF APPEAL:**

See Attachment.

**XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision.

Form IG-BR-29

**ENTERED this 15th Day of May 2006.**

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**Sharon K. Yoho**  
**State Hearing Examiner**