**State of West Virginia**
**DEPARTMENT OF HEALTH AND HUMAN RESOURCES**
**Office of Inspector General**
**Board of Review**
**203 E. 3rd Avenue**
**Williamson, WV 25661**

**Earl Ray Tomblin**
**Governor**

**Rocco S. Fucillo**
**Cabinet Secretary**

September 28, 2012

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Dear ------:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held September 26, 2012. Your hearing request was based on the Department of Health and Human Resources' denial of Medicaid authorization for a Magnetic Resonance Imaging (MRI) examination of the lumbar spine.

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.

Eligibility for Medicaid services is based on current policy and regulations. Some of these regulations state that prior authorization (PA) is required on all outpatient radiological services that include an MRI. Failure to obtain prior authorization will result in denial of the service. The 2012 – Imaging Criteria found on InterQual Smart Sheets is used to determine the medical appropriateness of health care services. If the request fails to meet the clinical indications criteria during the nurse's review, it is forwarded to a physician reviewer to determine medical appropriateness. (WVDHHR Medicaid Policy Manual, Chapter 528, and InterQual Smart Sheets 2012 – Imaging Criteria)

The information presented at your hearing reveals that prior authorization for payment of an MRI of the lumbar spine was not approved because the information your physician submitted does not meet the InterQual initial clinical indications criteria and there was insufficient documentation for the physician reviewer to determine medical appropriateness.

It is the decision of the State Hearing Officer to **uphold** the action of the Department to deny Medicaid authorization for an MRI.

Sincerely,

Stephen M. Baisden
State Hearing Officer
Member, State Board of Review

cc: Erika Young, Chairman, Board of Review
Stacy Broce, WV Bureau for Medical Services

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

**IN RE: ------,**

**Claimant,**

**v.** **ACTION NO: 12-BOR-1591**

**WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES,**

**Respondent.**

## DECISION OF STATE HEARING OFFICER

### I. INTRODUCTION:

This is a report of the State Hearing Officer resulting from a Fair Hearing for ------. This hearing was held in accordance with the provisions found in Chapter 700 of the West Virginia Department of Health and Human Resources' Common Chapters Manual. This Fair Hearing took place via telephone conference call on September 26, 2012, on a timely appeal filed June 19, 2012. This hearing originally was scheduled for August 14, 2012, but was rescheduled at Claimant's request.

### II. PROGRAM PURPOSE:

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 is responsible for development of regulations to implement Federal and State requirements for the program. The Department of Health and Human Resources processes claims for reimbursements to providers participating in the program.

### III. PARTICIPANTS:

------, Claimant

Stacy Hanshaw, RN, WV Bureau for Medical Services, Department's Representative
Cathy Montali, RN, West Virginia Medical Institute, Department's Witness

Presiding at the hearing was Stephen M. Baisden, State Hearing Officer and a member of the State Board of Review.

The Hearing Officer placed all participants under oath at the beginning of the hearing.

## IV. QUESTION TO BE DECIDED

The question to be decided is whether the Department was correct in its decision to deny Medicaid payment for a Magnetic Resonance Imaging (MRI) examination of Claimant's lumbar spine.

## V. APPLICABLE POLICY:

WVDHHR Medicaid Policy Manual, Chapter 320, Chapter 528 and InterQual Smart Sheets 2012 - Imaging Criteria.

## VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

**Department's Exhibits**:

D-1 WV DHHR Medicaid Hospital Services Provider Manual Chapter 528
D-2 InterQual Smart Sheets – 2012 Imaging Criteria
D-3 WVMI Medicaid Imaging Authorization Request form and additional documentation from ------, M.D., dated May 18, 2012
D-4 Notices of Denial from WV Medical Institute (WVMI) dated May 19, 2012

## VII. FINDINGS OF FACT:

1) WV DHHR Medicaid Hospital Services Provider Manual Chapter 320. 3 states in part:

> Various in-state and out-of-state services (for example, but not limited to, hospital inpatient care, nursing facility services, etc.) covered by the WV Medicaid Program must be approved in advance before payment can be made. Pre-service review and prior authorization may be required to initiate treatment or extend treatment beyond the amount, scope, or duration that is routinely allowed or was originally approved. It is the responsibility of the provider of the service to secure prior approval before rendering the service.
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> . . .
>
> The provider must submit written documentation demonstrating the medical necessity and appropriateness of the proposed treatment.

2) WV DHHR Medicaid Hospital Services Provider Manual Chapter 528.5 states in part:

> Radiology services provided by Medicaid enrolled providers are considered for reimbursement by West Virginia Medicaid when the services are determined medically necessary to meet the healthcare needs of the member. If the radiology service is a covered service and requires prior approval, the prior authorization is required prior to the service being rendered regardless of the place of service unless medically necessary during an emergent visit at an emergency room. A referring/treating provider must order all covered services.
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> . . .
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> Radiology services eligible for coverage include, but are not limited to:
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> • Diagnostic x-ray tests and therapeutic procedures
> • CT, MRI, MRA and PET Scans
> • Radiation oncology/Interventional Radiology
> • Bone Density Tests
> • Nuclear medicine services
> • Ultrasound services provided by radiologists and certain medical specialists
> • Radiopharmaceutical and contrast materials
> • One interpretation/report per radiology procedure

3) WV DHHR Medicaid Hospital Services Provider Manual Chapter 528.7 (Exhibit D-1) states in part:

> For radiology services requiring prior authorization for medical necessity by the Utilization Management Contractor (UMC), the referring/treating provider must submit the appropriate CPT code with clinical documentation and any other pertinent information to be used for clinical justification of services by the UMC. The information must be provided to the UMC, and the prior authorization granted, prior to services being rendered. Prior authorization requests for radiological services must be submitted within the timeframe required by the UMC.
>
> The UMC reviews all requests for services requiring prior authorizations. When the medical documentation does not meet medical necessity criteria or additional information is not received, a denial letter is sent to the member or his/her legal representative, the requesting provider and facility. This denial letter notes the reason for the denial and includes information regarding the member's right to a fair hearing and a Request for Hearing Form for completion. In addition, the letter sent to the provider contains

> information regarding his/her right to a reconsideration of the denial.

4) Claimant's physician, ------, M.D., submitted a Medicaid Imaging Authorization Request Form and additional documentation (Exhibit D-3) to the West Virginia Medical Institute (WVMI) on May 18, 2012, requesting pre-authorization of imaging services for Claimant, specifically, an MRI of the lumbar spine. On page 1 of the request form, item B, labeled "Imaging Study Requested," asks the medical professional to enter the name and Current Procedural Terminology (CPT) code for the requested imaging study. The person who completed this form has entered "MRI L-Spine," CPT code number 72148, and in the field labeled, "Diagnosis Related to Study," he or she has entered, "Lumbosacral musculoligamentous strain." At each of the sections labeled, "D. Clinical Reasons for Study," "E. Previous Relative Diagnostic Studies," and "F. Related Medications, Treatments, and Therapies," the person who completed the form has written, "see notes." Page 2 of the request is an attachment from the physician's medical office, indicating which of the physicians at his practice requests the imaging services, the name and address of the Claimant, and the requesting physician's signature. Page 3 and page 4 of the request are duplicates of pages 1 and 2.

5) Based on the information from the physician's Medicaid Authorization Request Form, the WVMI reviewer completed an imaging criteria screening form, known as InterQual Smart Sheets. (Exhibit D-2.) The nurse reviewer found that there was insufficient information to approve the request. Claimant's Imaging Authorization Request was forwarded to WVMI's physician reviewer, who denied the request for services.

6) WVMI sent Notices of Denial (Exhibit D-4) to the Claimant, his physician, and the hospital at which the imaging studies were to be done on May 19, 2012. The notices state in pertinent part:

> Reason for Denial:
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> The InterQual criteria for an MRI of the lumbar spine were not met. The information submitted was too limited. There were no examination or x-ray findings and no failed conservative treatment courses noted of any NSAIDs [non-steroidal anti-inflammatory drugs], [physical therapy], or activity modifications.

7) Department's witness testified that the reason the request was denied was that the physician's office did not provide any information needed to approve the procedure. She pointed out that the Imaging Authorization Request Form (Exhibit D-3) stated at items D (Clinical Reasons for Study), E (Previous Relative Diagnostic Studies), and F (Related Medications, Treatments and Therapies) the reviewer should "see notes," but no notes were attached. She stated that the only other documents that were attached were identical copies of the first two pages of the request. She stated she thought that an individual at the requesting physician's office may have sent a second copy of the first two pages of the request form to the WVMI, when he or she thought he or she was sending pages

containing additional documentation of Claimant's medical situation. However, she noted, this was merely speculation on her part.

8) Department's representative pointed out the denial letter to the physician (Exhibit D-4) states that if the physician had additional information which could result in the approval of the requested procedure, he or she could submit it for reconsideration to the WVMI within thirteen days of the receipt of the denial. She added that the WVMI received no such additional information.

9) Claimant testified that he had no idea as to why the physician's office did not submit the full documentation required to approve the requested procedure. He also speculated that an employee may have made a clerical error in not sending the complete documentation. Claimant provided no substantive rebuttal to the Department's testimony or evidence.

## VIII. CONCLUSIONS OF LAW:

1) Policy requires pre-authorization of Medicaid coverage for MRI examinations.

2) The nurse reviewer at the WVMI completed InterQual Smart Sheets to evaluate the merits of the request by Claimant's physician for an MRI of the lumbar spine, and determined that there was insufficient medical information for her to approve the MRI. She forwarded the request to WVMI's physician reviewer, who issued a denial of the requested imaging service.

3) The physician's Imaging Authorization Request did not provide enough information required for the reviewer to approve the MRI. It did not document the results of examinations or x-ray findings. It did not document the duration or results of a trial of NSAIDs, physical therapy or activity modification.

4) The medical evidence submitted by the Claimant's physician failed to meet prior authorization criteria; therefore, the Department acted correctly in denying the Claimant's request for Medicaid payment of an MRI examination of the lumbar spine.

## IX. DECISION:

It is the ruling of the State Hearing Officer to **uphold** the Department's decision to deny the request by Claimant's physician for an MRI of the lumbar spine.

## X. RIGHT OF APPEAL:

See Attachment

## XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 28th Day of September, 2012.**

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**Stephen M. Baisden**
**State Hearing Officer**