



State of West Virginia  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Office of Inspector General  
Board of Review  
P. O. Box 6165  
Wheeling, WV 26003

Joe Manchin III  
Governor

Martha Yeager Walker  
Secretary

July 17, 2007

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

Dear \_\_\_\_\_:

Attached is a copy of the findings of fact and conclusions of law on your hearing held July 10, 2007. Your hearing request was based on the Department of Health and Human Resources' decision to deny Medicaid payment for a CT Scan of the Thoracic 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 Computerized Tomography (CT) Scans. Prior authorization requirements governing the provisions of all West Virginia Medicaid services will apply pursuant to Chapter 300 General provider participation Requirements, provider manual. Failure to obtain prior authorization will result in denial of the services. The 2006 – Imaging Criteria found on InterQual Smart Sheet is used to determine the medical appropriateness of health care services. If the individual fails to meet the clinical indications criteria during the nurse's review, the request is forwarded to a physician reviewer to determine medical appropriateness. (WVDHHR Medicaid Policy Manual, Chapter 500-8, & InterQual SmartSheets 2006 – Imaging Criteria)

The information presented at your hearing reveals that prior authorization for payment of a CT Scan was not approved because your condition does not meet the InterQual initial clinical indications criteria and the signs and symptoms provided by your physician did not meet the medical indication for a CT scan.

It is the decision of the State Hearing Officer to **uphold** the action of the Department in denying your request for prior authorization of Medicaid coverage for a CT Scan of the Thoracic Spine.

Sincerely,

Melissa Hastings  
State Hearing Officer  
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review  
Evelyn Whidby, BMS

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

\_\_\_\_\_,  
**Claimant,**

**Action Number: 07-BOR-1321**

**v.**

**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 concluded on July 10, 2007 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 convened on July 10, 2007 on a timely appeal filed May 9, 2007.

**II. PROGRAM PURPOSE:**

The program entitled Medicaid is set up cooperatively between the Federal and State governments and administered by the West Virginia Department of Health & 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 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

Cindy Knighten, RN, BMS

Lisa Goodall, RN, WVMi

Mary Beth Hamilton, RN, BMS observing

Presiding at the hearing was Melissa Hastings, State Hearing Officer and a member of the State Board of Review.

*All parties participated telephonically.*

### **IV. QUESTIONS TO BE DECIDED:**

The question(s) to be decided is whether the Department was correct in its decision to deny prior authorization (PA) for Medicaid payment for a Computerized Tomography (CT) Scan of the thoracic spine for the claimant. Note: Claimant's original request was based on the Department's decision to deny CT scans of the thoracic and lumbar spine. The Department's representative and claimant both agree that since the filing of this hearing request, claimant's physician submitted another request for prior approval for a CT scan of the lumbar spine and this was approved on May 14, 2007. As a result, this hearing decision will just address the issue of denial of authorization for the CT scan of the thoracic spine.

### **V. APPLICABLE POLICY:**

WVDHHR Medicaid Policy Manual, Chapter 500-8 & InterQual SmartSheets 2006 - Imaging Criteria

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

#### **Department's Exhibits:**

D-1 BMS Provider Manual Chapter 508.1

D-2 WVMi Medicaid Imaging Authorization Request Form dated 11-28-06

D-3 WVMi Request for Additional Information dated 12-06-06

D-4 InterQual SmartSheets – Imaging Criteria (2 pages)

D-5 Notice of Denial dated 12-08-06 to claimant

D-6 Notice of Denial dated 12-08-06 to M\_\_\_\_ M\_\_\_\_ R\_\_\_\_

D-7 WVMi FAX request dated 01-22-07

D-8 [REDACTED] medical chart notes for claimant dated 01-10-07 2 pages

D-9 [REDACTED] medical chart notes for claimant dated 12-12-06 3 pages

D-10 [REDACTED] medical chart notes for claimant dated 11-28-06 2 pages

D-11 [REDACTED] radiology report dated 12-27-06

D-12 Notice of Reconsidered determination dated 01-26-07 to claimant and physician

## **VII. FINDINGS OF FACT:**

- 1) On November 28, 2006 the claimant's physician Dr. [REDACTED] submitted a request to the Department for prior approval for a CT scan of the Dorsal Spine. (D2)
- 2) In response to this request, WVMI sent a FAX request to the physician's office on December 6, 2006 (D3) advising that the request could not be processed without the following information:

Diagnosis or Diagnosis to rule out

Physical and or neurological findings upon examination

Signs and Symptoms and Date of Onset

Past medical history related to current symptoms

Any previous imaging studies or laboratory tests along with findings related to current condition

Past and present treatment along with treatment duration and outcome

The FAX indicated that the information should be submitted within 7 days of the date of the FAX.

- 3) Evidence presented by the Department reveals that prior authorization is required for Medicaid payment of a CT Scan. West Virginia Medical Institute (WVMI) is the agency contracted to review prior authorization requests and determine eligibility. When no response was received from the claimant's physician to the FAX request, the physician's request (D2) was reviewed by RN Goodall utilizing InterQual Smart Sheets Imaging Criteria and the determination was made that the claimant did not meet any of the clinical indications (100 through 600 on Exhibit D-4) for approval. RN Goodall referred the physician's request to physician review and the decision was made that the signs and symptoms provided do not meet the medical indications for the CT scan.
- 4) A Notice of Denial was issued to both the claimant (D5) and physician (D6) on December 8, 2006 indicating that

InterQual criteria not met, specifically; the signs and symptoms provide do no meet the medical indication for this study. There is no documentation of a physical exam with neurological findings or symptoms.

- 5) On January 22, 2007 WVMI sent a FAX (D7) to [REDACTED] at the physician's office advising that the service was originally denied and in order for WVMI to reconsider their decision relevant clinical information must be submitted.
- 6) Physician's office provided to WVMI claimant's chart notes from examinations conducted November 28, 2006 (D10), December 12, 2006 (D9) and January 10, 2007 (D8) along with a radiology report from [REDACTED] dated December 27, 2006 for the Thoracic and Lumbar spine (D11) for reconsideration.
- 7) Testimony of WVMI RN Goodall indicates that this additional information was presented to a second reviewing physician who found that the neurological examination was normal and there was not adequate information to justify the procedure requested.

- 8) A notice of reconsidered determination was issued to claimant and physician on January 26, 2007 (D12) indicating the following reason for denial:

The additional information provided does not support the medical indications for the studies requested. The signs and symptoms along with the treatment plan do not meet the medical criteria for a CT of the lumbar and thoracic spine.

- 9) Claimant's testimony indicates that several years ago she had the right upper lobe of her lung removed. In doing the procedure surgeon's had to go through her back and break ribs. She had had back problems prior to this surgery but the pain has become more severe. Her physician has advised her that the CT of her lumbar spine has shown arthritis, disc degeneration and scoliosis in her spine. Her physician believes that a CT scan of her thoracic spine may reveal nerve damage resulting from the lung surgery.
- 10) WVDHHR Medicaid Policy Manual, Chapter 508.1 – Item 3 (D1), provides prior Authorization Requirements For Outpatient Services and states:

Effective 10/01/05, prior authorization will be required on all outpatient radiological 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. Diagnostic services required during an emergency room episode will not require prior authorization. It is the responsibility of the ordering provider to obtain the prior authorization. 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.

Critical Access Hospitals (CAHs) who have chosen encounter, as well as those who bill Fee For Service, must obtain a prior authorization for certain diagnostic imaging testing. Reimbursement for diagnostic imaging services are considered part of the encounter and cannot be billed separately. CAHs will be required to obtain a PA from WVMi and document this information in the patient's medical record for audit purposes.

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.

- 11) InterQual SmartSheets 2006 – Imaging Criteria, provides screening guidelines for medical appropriateness of healthcare services. This document provides a list of Clinical Indications (100 through 700) that must be met in order to receive prior authorization. Directly below the

listed “Indications,” this form states – “Indication Not Listed (provided clinical justification below).”

#### **VIII. CONCLUSIONS OF LAW:**

- 1) WVDHHR Medicaid Policy Manual states that prior authorization (PA) is required on all outpatient radiological services that include Computerized Tomography (CT). Failure to obtain prior authorization will result in denial of the services. The 2006 – Imaging Criteria found on the InterQual SmartSheet is used to determine the medical appropriateness of health care services. If the individual fails to meet the clinical indications criteria during the nurse’s review, the request is forwarded to a physician reviewer to determine medical appropriateness.
- 2) The evidence reveals that the Department (through WVMI) received a request for prior authorization (PA) of Medicaid payment for a CT Scan of the thoracic spine. Because the Claimant’s medical condition did not meet any of the initial clinical indications criteria for approval, the request was sent to a physician reviewer to determine medical necessity. The physician reviewer found the signs and symptoms provided did not meet the medical indications for the CT scan. A reconsideration request was subsequently received with additional medical information provided and a second physician reviewed the information and determined that it did not support the medical indications necessary for the CT scan.

#### **IX. DECISION:**

It is the ruling of the State Hearing Officer to **uphold** the Department’s decision to deny prior authorization of Medicaid payment for a CT Scan of the thoracic spine for the claimant.

#### **X. RIGHT OF APPEAL:**

See Attachment

#### **XI. ATTACHMENTS:**

The Claimant’s Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 17<sup>th</sup> Day of July, 2007.**

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**Melissa Hastings  
State Hearing Officer**