



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

August 28, 2007

Dear Mr. _____:

Attached is a copy of the findings of fact and conclusions of law on your hearing held August 21, 2007. Your hearing request was based on the Department of Health and Human Resources' decision to deny Medicaid payment for MRIs of the Thoracic and 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 Magnetic Resonance Imaging (MRI). 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 the MRIs was not approved because your condition does not meet the InterQual initial clinical indications criteria and the information provided by your physician was not adequate to justify the need for the MRIs.

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 MRIs of the Thoracic and Lumbar 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,

v.

Action Number: 07-BOR-1535

**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 August 21, 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 August 21, 2007 on a timely appeal filed June 15, 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

Traci Gillespie, RN, WVM

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 Magnetic Resonance Imaging (MRI) of the thoracic and lumbar spine for the claimant.

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 WVM Medicaid Imaging Authorization Request Form dated 05-14-2007

D-3 InterQual Smart Sheets – Imaging Criteria for MRI, Thoracic Spine (4 pages)

D-4 InterQual SmartSheets – Imaging Criteria for MRI, Lumbar Spine (4 pages)

D-5 Notice of Denial dated 05-17-2007 to claimant

D-6 Notice of Denial dated 05-17-2007 to [REDACTED] MD

VII. FINDINGS OF FACT:

- 1) On May 14, 2007 the claimant's physician Dr. [REDACTED] submitted a request to the Department for prior approval for MRIs of the upper and lower back. (D2) There were no other accompanying documents submitted with the request.
- 2) In response to this request, the reviewing nurse from WVM contacted the physician's office to obtain additional information. Testimony from the reviewing nurse from WVM indicates that the contact person at the physician's office advised that claimant had been seen only one time and there were no examination findings dictated in the claimant's chart. Also indicated that there were no previous x-ray studies or physical therapy done.
- 3) Evidence presented by the Department reveals that prior authorization is required for Medicaid payment of a MRI. West Virginia Medical Institute (WVM) is the agency contracted to

review prior authorization requests and determine eligibility. Following the contact with the physician's office, the prior authorization request along with information gathered from the physician's office was reviewed by RN Gillespie utilizing InterQual Smart Sheets Imaging Criteria and the determination was made that the claimant did not meet any of the clinical indications (100 through 1100 on Exhibit D-3 or 100 through 1400 D-4) for approval. RN Gillespie referred the physician's request to physician review and the decision was made that the documentation submitted did not contain information regarding neurological and physical exam findings, previous diagnostics studies or evidence of failed conservative treatment.

- 4) A Notice of Denial was issued to both the claimant (D5) and physician (D6) on May 17, 2007 indicating that

InterQual criteria not met, specifically; the documentation submitted for review did not contain information regarding the neurological and physical exam findings, previous diagnostics study results and evidence of failed conservative treatment.

Testimony from RN, Gillespie indicates that there was no reconsideration request submitted by the physician in response to the notification letter.

- 5) Claimant's testimony indicates that he was injured January 6, 2007 when struck by a truck while walking on the road. He was seen in the emergency room on at least 5 occasions before seeing Dr. [REDACTED]. Has been seen several times by Dr. [REDACTED] but is only being given medications to treat the pain. Testimony from claimant indicates that he has had x-rays completed when seen in the emergency room and has recently received approval from the hospital to obtain the x-rays to take to his physician for her evaluation.
- 6) 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 WVMH 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.

- 7) InterQual SmartSheets 2006 – Imaging Criteria, provides screening guidelines for medical appropriateness of healthcare services. This document provides a list of Clinical Indications (100 through 1100 for Lumbar Spine and 100 through 1400 for Thoracic Spine) 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 Magnetic Resonance Imaging (MRI). 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 MRIs of the lumbar and 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 that the request did not include any information regarding neurological and physical exam findings, previous diagnostic study results or any evidence of failed conservative treatment to justify the need for the MRIs.

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 MRIs of the lumbar and 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 28th Day of August, 2007.

**Melissa Hastings
State Hearing Officer**