



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

September 25, 2007

Dear Ms. _____:

Attached is a copy of the findings of fact and conclusions of law on your hearing held September 13, 2007. Your hearing request was based on the Department of Health and Human Resources' decision to deny Medicaid payment for a MRI 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 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 a MRI 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 MRI.

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 MRI of the 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,

Action Number: 07-BOR-1731

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 September 13, 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 September 13, 2007 on a timely appeal filed July 31, 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

Mary Hamilton, RN, BMS

Natalie Tappe, RN, WVMI

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 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 WVMI Medicaid Imaging Authorization Request Form dated 05-18-2007

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

D-4 Notice of Denial dated 05-29-2007 to claimant

D-5 Notice of Denial dated 05-29-2007 to [REDACTED] MD

VII. FINDINGS OF FACT:

- 1) On May 18, 2007 the claimant's physician Dr. [REDACTED] submitted a request to the Department for prior approval for a MRI of the lumbar spine. (D2) The physician indicates on the request that the claimant's diagnosis is spinal stenosis and that a previous MRI done in April 2006 found herniated disc at L4 and L5. There were no other accompanying documents submitted with the request.
- 2) Evidence presented by the Department reveals that prior authorization is required for Medicaid payment of a MRI. West Virginia Medical Institute (WVMI) is the agency contracted to review prior authorization requests and determine eligibility. The prior authorization request was reviewed by RN Tappe utilizing InterQual Smart Sheets Imaging Criteria and the determination was made that the claimant did not meet any of the clinical indications (100 through 1400 on Exhibit D-3) for approval. RN Tappe referred the prior authorization request to physician review and the decision was made that the documentation submitted did not

contain information regarding any radicular symptoms, failed conservative treatments, NSAID use or a recent XRAY.

- 3) A Notice of Denial was issued to both the claimant (D4) and physician (D5) on May 29, 2007 indicating that

InterQual criteria not met, specifically; the criteria for medical necessity has not been met for the requested study. There is no documentation of any radicular symptoms such as, failed conservative treatments, NSAID use, or recent XRAY (criteria #100).

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

- 4) Claimant's testimony indicates that she is on several medications for pain including; Neurontin, Etodolac, Baclofen and Tramadol. Has been on these medications for at least a year and they are ineffective in controlling her pain. Claimant indicates that her symptoms include numbness in hands and legs, inability to straighten up and her left leg gives out and she falls. Claimant's testimony also indicates that she did have an x-ray of her back in June or July of this year.
- 5) 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.

- 6) InterQual SmartSheets 2006 – Imaging Criteria, provides screening guidelines for medical appropriateness of healthcare services. This document provides a list of Clinical Indications

(100 through 1400 for Lumbar 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 a MRI of the lumbar 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 documentation of any radicular symptoms such as failed conservative treatments, NSAID use, or recent XRAY.
- 3) Claimant’s testimony provides evidence of NSAIDS use that was cited as one of the reasons for denial of authorization. There was no evidence provided of the recent x ray results or failed conservative treatments that were given to claimant which were also cited as reasons for denial.

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 MRI of the lumbar 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 25th Day of September, 2007.

**Melissa Hastings
State Hearing Officer**