State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
P. O. Box 2590
Fairmont, WV 26555

Joe Manchin III
Governor

Martha Yeager Walker
Secretary

October 17, 2007

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_____
_____

Dear Ms. _____:

Attached is a copy of the findings of fact and conclusions of law on your hearing held October 16, 2007. Your hearing request was based on the Department of Health and Human Resources' decision to deny prior authorization for Medicaid payment of a Magnetic Resonance Imaging (MRI) of the Cervical, 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. It is the responsibility of the ordering provider to obtain the prior authorization. Failure to obtain prior authorization will result in denial of the services. The 2007 – 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 SmartSheet 2007 – Imaging Criteria)

The information presented at your hearing reveals that prior authorization for Medicaid payment of a MRI was not approved because there was insufficient documentation to meet InterQual eligibility criteria.

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.

Sincerely,

Thomas E. Arnett
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-2093**

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 October 17, 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 October 16, 2007 on a timely appeal filed August 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
Stacey Hanshaw, RN, BMS
Lisa Goodall, RN, WVMI
Evelyn Whidby, BMS, Observing

Presiding at the hearing was Thomas E. Arnett, 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 of a Magnetic Resonance Imaging (MRI) of the Cervical, Thoracic and Lumbar Spine.

V. APPLICABLE POLICY:

WVDHHR Medicaid Policy Manual, Chapter 500-8 & InterQual SmartSheets 2007 - Imaging Criteria

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

A WVDHHR Medicaid Manual (Hospital Manual), Chapter 500, Section 508.1 – Item 3 (page 1).
B-1 Information received from [redacted] MD (pages 2)
B-2 InterQual SmartSheets – 2007 Imaging Criteria WVMI (pages 3-13)
C Notice of Denial Determination by WVMI (pages 14-16)

VII. FINDINGS OF FACT:

1) On or about July 9, 2007, the Claimant, the Claimant's physician and service provider were notified via a Notice of Denial (Exhibit C) that the Claimant's request for prior authorization (PA) for Medicaid payment of a MRI of the Cervical, Thoracic and Lumbar Spine was denied. The reason for denial is as follows:

> The information provided did not meet the clinical indications for the requested studies. There was no information provided regarding radicular symptoms, physical/neurological findings or the length of the failed trial of conservative treatment.

The notice sent to the physician and provider, (Exhibit C, pages 15 & 16), goes on to state -

Reconsideration: "If you do not agree with this decision, you may request a reconsideration of this determination. To exercise this right, a written request and supporting documentation must be submitted to WVMI within 60 days of receipt of this notice. WVMI will complete the reconsideration within 30 working days of the request." This section of the notice concludes with information regarding where to send the reconsideration request and additional medical documentation.

2) The Claimant's request (Exhibit B-1) was reviewed by the WVMI Register Nurse (RN) and the determination was made that the Claimant did not meet the clinical indications found on the InterQual SmartSheet required for approval. The Claimant's request was forwarded to the WVMI physician reviewer who can authorize PA without clinical indicators being met, however, the physician reviewer concluded that there was insufficient medical documentation to approve PA of Medicaid payment. As indicated in the Notice of Denial (Exhibit C), the request for PA (Exhibit B-1) fails to include radicular symptoms, physical and neurological findings or the amount of time conservative treatments were tried. If the Claimant's onset of symptoms has been since 1999, as indicated in Exhibit B-1, the Department contends that the needed information may be available but was not provided on the PA request. The Department does not have information why the Claimant has a pain pump or any knowledge of previous back surgery. The Department noted that the Claimant's physician was notified of the denial (Exhibit C, page 15) and a request for reconsideration was not received.

3) The Claimant testified that she currently has a morphine pump implanted in her side. The tube goes around the back and he physician thinks that the tube may have collapsed or moved from the correct location as her pain is constant. The Claimant stated that she went through a series of injections and back surgery and she is still in pain.

4) Exhibit B-1 indicates that the Claimant has pain from her neck to low back and that her pain is refractory to her IT pump. The onset of the Claimant's condition is 1999, however, section "E" fails to include any information regarding previous relative diagnostic studies (normal and abnormal findings) and while section "F" provides some of the medications, treatments and therapies that have been tried, there is no information regarding how long these therapies were attempted.

5) WVDHHR Medicaid Policy Manual, Chapter 508.1 – Item 3, provides Prior Authorization Requirements for Outpatient Services and states, in pertinent part:

> 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.
>
> 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 2007 – Imaging Criteria, provides screening guidelines for medical appropriateness of healthcare services. This document provides a list of Clinical Indications that must be met in order to receive PA (i.e. conservative treatments, physical / neurological evaluation results). Directly below the listed "Indications," this form states – "Indication Not Listed (provided clinical justification below)."

VIII. CONCLUSIONS OF LAW:

1) The evidence reveals that prior authorization (PA) is required for Medicaid payment of a MRI. West Virginia Medical Institute (WVMI) is the agency contracted to review PA requests and determine eligibility. Failure to obtain prior authorization will result in denial of the service. The 2007 – 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 PA of Medicaid payment for a MRI. Because the Claimant's medical condition did not meet the clinical indications criteria for approval by the WVMI nurse, the request was sent to a physician reviewer to determine medical appropriateness. The physician reviewer was unable to find clinical justification, as indicated in the July 9, 2007 denial notice, and correctly denied the Claimant's request for PA.

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.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 17th Day of October, 2007.

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Thomas E. Arnett
State Hearing Officer