



State of West Virginia  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Office of Inspector General  
Board of Review  
1027 N. Randolph Ave.  
Elkins, WV 26241

Joe Manchin III  
Governor

Martha Yeager Walker  
Secretary

November 7, 2007

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

Dear Mr. \_\_\_\_\_:

Attached is a copy of the findings of fact and conclusions of law on your hearing held November 6, 2007. Your hearing request was based on the Department of Health and Human Resources' denial of Medicaid payment for Magnetic Resonance Imaging (MRI) 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 as follows: Effective October 1, 2005, prior authorization will be required on all outpatient radiological services, including Magnetic Resonance Imaging. Failure to obtain prior authorization will result in denial of the service. (WVDHHR Hospital Manual Chapter 500, Section 508.1)

Evidence presented during your hearing revealed that your request for payment of an MRI did not meet eligibility criteria and could not be authorized.

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

Sincerely,

Pamela L. Hinzman  
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-2175**

**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 November 7, 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 November 6, 2007 on a timely appeal filed August 22, 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

Stacy Hanshaw, RN, Bureau for Medical Services (participated telephonically)

Sharon Lopez, RN, Nurse Reviewer, West Virginia Medical Institute (participated telephonically)

Presiding at the hearing was Pamela L. Hinzman, State Hearing Officer and a member of the State Board of Review.

**IV. QUESTIONS TO BE DECIDED:**

The question(s) to be decided is whether the Department was correct in its decision to deny Medicaid payment for an MRI of the thoracic spine.

**V. APPLICABLE POLICY:**

WVDHHR Hospital Manual Chapter 500, Section 508.1

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

**Department's Exhibits:**

D-1 WVDHHR Hospital Manual Chapter 500, Section 508.1

D-2 WVMI Medicaid Imaging Authorization Request Form dated August 6, 2007 and InterQual SmartSheets 2007-Imaging Criteria

D-3 Notices of Denial sent to Claimant, [REDACTED] and [REDACTED]

**VII. FINDINGS OF FACT:**

1) The Claimant's physician, Dr. [REDACTED] submitted a Medicaid Imaging Authorization Request Form (D-2) to West Virginia Medical Institute (WVMI) in August 2007 requesting pre-authorization for Magnetic Resonance Imaging (MRI) of the Claimant's thoracic spine.

2) WVMI sent a Notice of Denial (D-3) to the Claimant on August 10, 2007 which states, in part:

A request for prior authorization was submitted for imaging services. Based on the medical information provided, the request has been denied.

Reason for Denial: InterQual criteria not met. MRI, THORACIC SPINE. There was no documentation of the prior MRI findings and no physical or neurological exam findings.

WVMI sent similar Notices of Denial (D-3) to Dr. [REDACTED] and [REDACTED]

- 3) The WVMI Nurse Reviewer testified that a request for prior authorization for an MRI of the thoracic spine must meet an indication listed on Interqual SmartSheets (D-2) before it can be approved. The request submitted by the Claimant's physician lists diagnosis codes of 724.5 (back ache) and 724.1 (thoracic spine pain). The Nurse Reviewer testified that pain is not an indication listed on Interqual SmartSheets for which Medicaid payment can be approved. The request for prior authorization states that the Claimant has a pinched nerve, chronic back pain and a burning, sharp pain in his back, however, the report specifies no date of onset. In addition, the report states that the Claimant had an MRI four years ago, but lists no physical or neurological examination findings. The Nurse Reviewer testified that the information was forwarded to a Physician Reviewer and the request was denied due to insufficient information. She testified that no request for reconsideration was received in response to the denial letter.

Mr. \_\_\_\_\_ testified that a different physician had ordered his previous MRI. He testified that he experiences burning and numbness in his shoulder, and nerve pain that feels like an electrical shock.

The Department's witnesses indicated that the Claimant could submit a new request for the procedure.

- 4) WVDHHR Hospital Manual Chapter 500, Section 508.1 (D-1) states, in part:

Medicaid covered outpatient services which require medical necessity review and prior authorization are:

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 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.

**VIII. CONCLUSIONS OF LAW:**

- 1) Policy requires pre-authorization of Medicaid coverage for various outpatient radiological services, including MRI. It is the responsibility of the ordering provider to obtain prior authorization for the procedure. Failure to obtain prior authorization results in denial of the service.
- 2) The Claimant's physician requested pre-authorization for Medicaid coverage of an MRI of the thoracic spine in August 2007.
- 3) Evidence indicates that WVMI denied the request due to insufficient information in regard to prior MRI findings or physical/neurological examination reports. The lack of information prevented WVMI from determining whether indications for pre-authorization could be met.
- 4) Whereas medical evidence submitted by the Claimant's physician fails to meet prior authorization criteria, the Department acted correctly in denying the Claimant's request for Medicaid payment of an MRI.

**IX. DECISION:**

It is the ruling of the State Hearing Officer to **uphold** the Department's decision to deny Medicaid payment for an MRI scan of the Claimant's thoracic spine.

**X. RIGHT OF APPEAL:**

See Attachment

**XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 7th Day of November, 2007.**

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**Pamela L. Hinzman  
State Hearing Officer**