



**State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
2699 Park Avenue, Suite 100
Huntington, WV 25704**

Joe Manchin III
Governor

Martha Yeager Walker
Secretary

November 2, 2007

Dear Mr. _____:

Attached is a copy of the findings of fact and conclusions of law on your hearing held November 1, 2007. Your hearing request was based on the Department of Health and Human Resources' action to deny Medicaid coverage for MRI of right shoulder.

In arriving at a decision, the State Hearings 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 the Medicaid Program is based on current policy and regulations. Some of these regulations state as follows: prior authorization will be required on all outpatient radiological services that include Magnetic Resonance Imaging (MRI) (Medicaid Regulations Chapter 508.1, November 1, 2004).

The information which was submitted at your hearing revealed that sufficient information was not provided to show medical necessity.

It is the decision of the State Hearings Officer to uphold the action of the Department to deny Medicaid coverage for MRI of right shoulder.

Sincerely,

Thomas M. Smith
State Hearing Officer
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review
Cindy Knighten, Bureau for Medical Services
Sharon Lopez, WVMi

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

_____,

Claimant,

v.

Action Number: 07-BOR-2204

**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 telephone conference fair hearing concluded on November 1, 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 1, 2007 on a hearing request received August 27, 2007.

It should be noted here that the claimant's benefits have been denied pending a hearing decision.

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:

1. _____, Claimant.
2. Cindy Knighten, R. N., Bureau for Medical Services.

3. Sharon Lopez, R. N., WV Medical Institute.

Presiding at the Hearing was Thomas M. Smith, State Hearing Officer and a member of the State Board of Review.

IV. QUESTIONS TO BE DECIDED:

The question to be decided is whether the Department took the correct action to deny Medicaid coverage for MRI of right shoulder.

V. APPLICABLE POLICY:

Medicaid Regulations Chapter 508.1, November 1, 2004.
InterQual 2006 Imaging Criteria.

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- A Copy of regulations.
- B1 Copy of request from Dr. [REDACTED] (2 pages).
- B2 Copy of InterQual Criteria (3 pages).
- C Copy of denial letters dated 8-8-07 (2 pages).

VII. FINDINGS OF FACT:

- 1) A request for authorization for Medicaid coverage for MRI of right shoulder dated 8-1-07 was submitted for the claimant by Dr. [REDACTED] (Exhibit #B1).
- 2) The request for Medicaid coverage for MRI of right shoulder was denied with denial letters sent to claimant and physician on 8-8-07 stating InterQual criteria not met and there was no documentation of physical or neurological findings or failed conservative treatment (Exhibit #C).
- 3) There was no request submitted for reconsideration.
- 4) A hearing request was received by the Bureau for Medical Services on 8-27-07, by the Board of Review on 10-1-07, and by the State Hearing Officer on 10-2-07.
- 5) Testimony from the Bureau for Medical Services R.N. indicated that Medicaid Regulations from Chapter 508.1 require that Medicaid covered outpatient services require medical necessity review and prior authorization, that effective 10-01-05, prior authorization will be required on all outpatient radiological services that include Magnetic Resonance Imaging (MRI), that the service was denied with notification issued to the claimant and physician on 8-8-07, that a reconsideration was not received.

- 6) Testimony from the WVMi R. N. indicated that an outpatient authorization form was submitted by the physician on 8-1-07 and was reviewed by her and the Physician Reviewer at WVMi and that the request did not address any physical or neurological findings or failed conservative treatment.
- 7) The claimant testified that nothing has worked thus far, that he cannot even open jars and can't use his right shoulder, that Dr. [REDACTED] was the one who was going to do the MRI, and that it is not getting any better.
- 8) It should be noted that the R. N. from WVMi suggested that the claimant have another request submitted and the claimant agreed to do so after the issuance of the hearing decision.
- 9) Medicaid Regulations from Chapter 508.1, November 11, 2004 state, in part:

"Prior Authorization Requirements For Outpatient Services

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

3. 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).....

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) Regulations from Medicaid Chapter 508.1 states that Medicaid covered outpatient services which require medical necessity review and prior authorization include outpatient radiological services including Magnetic Resonance Imaging (MRI).
- (2) Regulations from Medicaid Chapter 508.1 states that prior authorization must be obtained from West Virginia Medical Institute (WVMi) prior to provision of the service. The request was submitted to WVMi and was denied due to lack of information to show medical necessity. The State Hearing Officer finds that the Department was correct to deny the request.

IX. DECISION:

It is the decision of the State Hearing Officer that the Department took the correct action to deny Medicaid coverage for MRI of right shoulder.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 2nd Day of November, 2007.

**Thomas M. Smith
State Hearing Officer**