



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

June 5, 2008

Dear Ms. _____:

Attached is a copy of the findings of fact and conclusions of law on your hearing held May 22, 2008. Your hearing request was based on the Department of Health and Human Resources' decision to deny Medicaid payment for a MRI of the left shoulder.

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 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 SmartSheets 2007– Imaging Criteria)

The information presented at your hearing reveals that prior authorization for payment of the MRI was not approved because your condition did not meet the InterQual initial clinical indications criteria. Specifically pre approval criteria indicate that there must be documentation from the physician of a prescribed medication for NSAIDS or a reason for not prescribing them. In addition the criteria require at least 6 weeks of Occupational or Physical therapy prior to approval of an MRI. Evidence and testimony received during the hearing indicate that you were prescribed NSAIDS and physical therapy but have discontinued them without your doctor's knowledge. Justification from your physician is required before these requirements can be waived.

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 left shoulder.

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: 08-BOR-1268

**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 May 22, 2008 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 May 22, 2008 on a timely appeal filed April 22, 2008.

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
Joann Ranson, RN, BMS
Cathy Montali, RN, WVMU

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 left shoulder.

V. APPLICABLE POLICY:

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

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 BMS Provider Manual Chapter 508.1
- D-2 WVMU Medicaid Imaging Authorization Request Form dated 03/04/08
- D-3 Radiology Report dated 10/11/2007 from [REDACTED]
- D-4 Medical Evaluation dated 02/28/08 completed by [REDACTED] MD
- D-5 InterQual Smart Sheets – 2007 Imagine Criteria for MRI, shoulder (3 pages)
- D-6 Notice of Denial for Imaging Services dated 03/13/2008 to claimant
- D-7 Notice of Denial for Imaging Services dated 03/13/2008 to [REDACTED] MD
- D-8 Notice of Denial for Imaging Services dated 03/13/2008 to [REDACTED]

VII. FINDINGS OF FACT:

- 1) On March 4, 2008 claimant's physician Dr. [REDACTED] submitted a request (D2) to the Department for approval for a MRI of the left shoulder for the claimant. Included with the request were a radiological report from [REDACTED] (D3) and a medical evaluation from Dr. [REDACTED] (D4)

- 2) Evidence presented by the Department reveals that prior authorization is required for Medicaid payment of MRIs. 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 Montali utilizing InterQual SmartSheets Imaging Criteria. A determination was made that the claimant did not meet all of the clinical indications (100 through 142 exhibit (D5) for approval. Specifically RN Montali's testimony indicated that the InterQual criteria require documentation that the patient has been prescribed and is taking NSAIDs to correct/control the medical condition. In addition, the criteria requires the patient attend and participate in 6 weeks of physical therapy. RN Montali referred the request to physician review and the decision was made that the documentation submitted did not contain information regarding a failed trial of conservative treatment and patient had only completed three physical therapy sessions.
- 3) A Notice of Denial was issued to the claimant (D6), physician (D7) and hospital (D8) on March 13, 2008 indicating that

InterQual criteria was not met. The information provided did not meet the clinical indications for the requested study. There was no information provided regarding a failed trial of conservative treatment and at the time of review, only three physical therapy session had been completed.

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

- 4) Claimant's testimony indicates she has intense pain in her left shoulder. Her physician has prescribed medications for the condition. They are Meloxicam and Nuproxen. Claimant's testimony indicates that she does not like to take medication and has discontinued their use. Claimant attended three physical therapy sessions and made a decision that she could do the same exercises on her own at home so discontinued going to the sessions. Claimant has not returned to the physician who requested the MRI to advise her of the status of her usage of the prescribed medication or the physical therapy.
- 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 2007 – Imaging Criteria, provides screening guidelines for medical appropriateness of healthcare services. This document provides a list of Clinical Indications (100 through 630 for MRI of the shoulder) that must be met in order to receive prior authorization. Testimony revealed that claimant was evaluated under the section 100 through 142 Chronic monarticular joint pain.

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 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 prior authorization (PA) of Medicaid payment for an MRI of the left shoulder. Because the claimant's medical condition did not meet two 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 provide information regarding a failed trial of conservative treatment and completion of 6 weeks of physical therapy.

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 left shoulder.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 5th Day of June 2008.

**Melissa Hastings
State Hearing Officer**