



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 Mr. _____:

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 PET scan.

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 for specific outpatient services. Effective 10/01/05 Prior authorization is required on all outpatient radiological services including PET scans. Prior authorization requirements governing the provisions of all West Virginia Medicaid services will apply pursuant to Chapter 300 General provider participation Requirements, provider manual. 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 and InterQual SmartSheets 2007-Imaging Criteria)

The information presented at your hearing reveals that prior authorization for payment of the PET scan was not approved because the medical documentation provided did not meet the criteria established. In particular the regulations require that a lung nodule must be larger than 1 cm before a PET scan can be authorized. Medical documentation submitted indicates the lung nodules noted on a recent CT of your chest were 5 to 6 mm.

It is the decision of the State Hearing Officer to **uphold** the action of the Department in denying the request for prior authorization for a PET scan.

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-1318

**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 28, 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

_____, Claimant's wife

Julie Mobayed, RN, WVMi

JoAnn Ranson, RN, BMS

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 PET scan.

V. APPLICABLE POLICY:

WVDHHR Medicaid Policy Manual, Chapter 500-8

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

D-1 BMS Provider Manual Chapter 508

D-2 WVMi Medicaid Imaging Authorization Request Form dated 02/07/2008

D-3 Diagnostic Imaging Report dated 02/05/2008

D-4 InterQual SmartSheets for Positron Emission Tomography (PET), Chest

D-5 Notice of Denial dated 02/14/2008 to claimant

D-6 Notice of Denial dated 02/14/2008 to [REDACTED] MD

D-7 Notice of Denial dated 02/14/2008 to _____ Hospital

VII. FINDINGS OF FACT:

- 1) On February 7, 2008 the claimant's physician Dr. [REDACTED] submitted a request to the Department for prior approval for a PET scan. (D2) Included with the request was a Diagnostic Imaging Report from [REDACTED] completed 02/05/2008. (D3)
- 2) Evidence presented by the Department reveals that prior authorization is required for Medicaid payment for all outpatient radiological services including PET scans. 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 Mobayed utilizing the InterQual SmartSheets for Positron Emission Tomography (PET), Chest. (D4) The InterQual Smart Sheet indicates that a pulmonary nodule must be greater than 1 cm for approval for a PET scan. Testimony from RN Mobayed indicates that the diagnostic imaging report findings (D3) provided with the request reports subtle nodularity within the upper lobes, the largest of

which measures 5 to 6 mm within the right upper lobe and a 4 mm nonspecific, noncalcified nodule near the left lung base.

- 4) A Notice of Denial was issued to the claimant (D5), physician (D6) and hospital (D7) on February 14, 2008 indicating

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, Specifically:
PET CHEST Criteria 120, No documentation that the size of the pulmonary nodule was greater than 1 cm and a recent CT of the Chest on 02/05/08.

Testimony received from RN Mobayed indicates there was no reconsideration request made by the physician who requested the PET scan.

- 5) Testimony received from claimant's wife indicates that claimant had a triple bypass of his heart done in April 2006. At that time nodules were discovered on claimant's lungs but nothing was done. In December 2007 follow up testing was done and more nodules were present. Claimant's wife feels that the PET scan is necessary to determine if the nodules in the lung need further attention/surgery. Fears lung cancer and wants to be able to rule this out or if necessary secure the earliest possible treatment.
- 6) WVDHHR Medicaid Policy Manual, Chapter 508.1 (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 Positron Emission Tomography Scans (PET). Prior authorization requirements governing the provisions of all West Virginia Medicaid services will apply pursuant to Chapter 300 General Provider Participation Requirements, provider manual.

- 7) InterQual SmartSheets 2006 – Imaging Criteria, provides screening guidelines for medical appropriateness of health care services. This document provides a list of clinical indications (100 through 120 for PET for Chest) that must be met in order to receive prior authorization.

VIII. CONCLUSIONS OF LAW:

- 1) WVDHHR Medicaid Policy Manual states that prior authorization (PA) is required for a PET scan of the chest. West Virginia Medical Institute is the authority charged with determining the eligibility for pre authorized services through Medicaid. WVDHHR Medicaid Policy requires that requests for pre authorized radiological services be reviewed by West Virginia Medical Institute utilizing InterQual Smart Sheets in determining eligibility for the service.

- 2) The evidence reveals that the Department (through WVMI) received a request for prior authorization (PA) of Medicaid payment for a PET scan of the chest for the claimant. The registered nurse employed by West Virginia Medical Institute reviewed the request utilizing the InterQual Smart Sheet for Positron Emission Tomography (PET), chest. One of the items listed on the InterQual Smart Sheet was that the pulmonary nodule must be greater than 1 cm. The diagnostic imaging report provided by the referring physician indicates that the pulmonary nodules found during a recent CT scan were measured as 5 to 6 mm in the right lobe and 4mm in the left lung base.

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 PET scan of the lung.

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