



State of West Virginia  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Office of Inspector General  
Board of Review  
9083 Middletown Mall  
White Hall, WV 26554

Joe Manchin III  
Governor

Martha Yeager Walker  
Secretary

July 20, 2009

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Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held July 6, 2009. 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 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, in the 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 2008 – 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 510.8.1 & InterQual SmartSheet 2008 – 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  
Lorna Harris, BMS

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

-----,

**Claimant,**

**v.**

**Action Number: 09-BOR-1183**

**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 July 20, 2009 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 July 6, 2009 on a timely appeal filed May 8, 2009.

**II. PROGRAM PURPOSE:**

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, BMS  
Julie Mobayed, RN, WVMI

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 or not the Department was correct in its decision to deny prior authorization (PA) for Medicaid payment of a Magnetic Resonance Imaging (MRI) of the Lumbar Spine.

#### **V. APPLICABLE POLICY:**

WVDHHR Medicaid Policy Manual, Chapter 510.8.1 & InterQual SmartSheets 2009 - Imaging Criteria

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

##### **Department's Exhibits:**

- A WVDHHR Medicaid Manual (Hospital Manual), Chapter 510, Section 510.8.1 (page 1)
- B-1 Information received from -----, MD (Pages 2-3)
- B-2 InterQual SmartSheets – 2008 Imaging Criteria (pages 4-6)
- C Notice of Denial Determination by WVMi (pages 7-9), dated 4/24/09

#### **VII. FINDINGS OF FACT:**

- 1) On or about April 24, 2009, the Claimant and the Claimant's physician / service provider were notified via a Notice of Denial For Imaging Services (Exhibit C) that the Claimant's request for prior authorization (PA) for Medicaid payment of a MRI of the lumbar spine was denied. The reason for denial is as follows:

Criteria 142 There is no documentation that symptoms have continued after conservative treatment with NSAID's for >3 weeks and Activity Modification, such physical therapy for >6 weeks.

The physician/provider notice 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 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. The Claimant's request (Exhibit B-1) was reviewed by the WVMI RN and the determination was made that the Claimant did not meet the clinical indications required for approval. The Claimant's request was forwarded to the WVMI physician reviewer who concluded that there was insufficient medical documentation for PA of Medicaid payment of the MRI. As indicated in the Notice of Denial, the request for PA failed to include documentation regarding conservative treatment results (medication therapy through NSAID's or physical therapy). The Department noted that the Claimant's physician was notified of the denial (Exhibit C) and a request for reconsideration was not received.
- 3) The Claimant testified that he was receiving physical therapy from [REDACTED] Medical Center but was told not to return until he had an MRI. In addition, the Claimant testified that he has taken several different types of pain medications and he is getting frustrated.
- 4) Exhibit B-1 (page 2) is the information provided by the Claimant's physician. Under section "F" (Related Medications, Treatments, and Therapies) – the only treatment information provided is Flexeril. There is no information regarding the use of non-steroidal anti-inflammatory medications or physical therapy treatments or whether these treatments were effective.
- 5) WVDHHR Medicaid Policy Manual, Chapter 510.8.1 – 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 2008 – Imaging Criteria, provides screening guidelines for medical appropriateness of healthcare services. This document provides a list of Clinical Indications (100 through 1100) that must be met in order to receive PA (i.e. conservative treatments, physical therapy). Directly below the listed "Indications," this form states – "Indication Not Listed (provided clinical justification below)."

## **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 service. The 2008 – 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 for a further evaluation of medical appropriateness.
- 2) The evidence reveals that the Department (through WVMi) received a request for PA of Medicaid payment for a MRI. While the Claimant's testimony appears to indicate that his medical condition was not accurately documented in the MRI PA request, WVMi's nurse and physician reviewer relies on the clinical information provided by the requesting physician to determine medical necessity. The evidence included on the PA request submitted by the Claimant's physician fails to demonstrate clinical justification / medical necessity for PA of an MRI.

## **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 lumbar spine.

## **X. RIGHT OF APPEAL:**

See Attachment

## **XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 20<sup>th</sup> Day of July, 2009.**

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**Thomas E. Arnett**  
**State Hearing Officer**