



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

Patsy A. Hardy, FACHE, MSN, MBA
Cabinet Secretary

November 16, 2009

Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held September 15, 2009. Your hearing request was based on the Department of Health and Human Resources' decision to deny prior authorization for Magnetic Resonance Imaging (MRI) services.

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.

Medicaid regulations require prior authorization on all outpatient radiological services, including MRI. This prior authorization must be obtained from the West Virginia Medical Institute. Failure to obtain prior authorization results in denial of the service. (West Virginia Bureau for Medical Services Provider Manual, Chapter 510: Hospital Services, §510.8.1)

Information submitted at your hearing revealed that the necessary clinical indications for MRI prior authorization were not met.

It is the decision of the State Hearing Officer to **uphold** the action of the Department to deny prior authorization for MRI services.

Sincerely,

Todd Thornton
State Hearing Officer
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review
Lorna Harris, Department Representative

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

-----,

Claimant,

v.

Action Number: 09-BOR-1278

**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 16, 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 September 15, 2009 on a timely appeal, filed May 26, 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 the 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, Department Representative, Bureau for Medical Services

Lisa Goodall, RN, West Virginia Medical Institute

Presiding at the Hearing was Todd Thornton, State Hearing Officer and a member of the State Board of Review.

IV. QUESTION TO BE DECIDED:

The question to be decided is whether the Department was correct to deny prior authorization for Magnetic Resonance Imaging (MRI) services to the Claimant.

V. APPLICABLE POLICY:

West Virginia Bureau for Medical Services Provider Manual, Chapter 510: Hospital Services, §510.8.1

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 West Virginia Bureau for Medical Services Provider Manual, Chapter 510: Hospital Services, §510.8.1
- D-2 WVMi Medicaid Imaging Authorization Request Form, dated May 18, 2009; InterQual SmartSheets, 2008 – Imaging Criteria, for Magnetic Resonance Imaging (MRI) of the Lumbar Spine
- D-3 Denial notices dated May 20, 2009

VII. FINDINGS OF FACT:

- 1) Stacy Hanshaw, representative for the Department's Bureau for Medical Services, testified that, in response to a request for Magnetic Resonance Imaging (MRI) of the Lumbar Spine for the Claimant, denial notices were issued on or about May 20, 2009 to the Claimant, his prescribing practitioner, and the servicing provider (Exhibit D-3). The notice provided the reason for denial as follows, in pertinent part:

InterQual Criteria Not Met:

MRI OF THE LUMBAR SPINE

There were no conservative treatment durations and outcomes noted such as NSAID therapy and activity modifications. It is not known if the symptoms noted are same as before since noted as recurrent or if new changes have occurred. It is noted that an MRI was performed in 2005.

- 2) Lisa Goodall, the reviewing nurse from the West Virginia Medical Institute (WVMi), testified that she received the request for an MRI for the Claimant on May 18, 2009. She testified that the request diagnosed the Claimant with low back pain with radiculopathy. She testified that no other documentation accompanied this request form.

- 3) The WVMI nurse testified that she reviewed the information provided against the criteria specific to imaging requests on the InterQual SmartSheets (Exhibit D-2) for MRI of the Lumbar Spine. Because the indications of suspected radiculopathy for this imaging type is evaluated against the results a trial period of non-steroidal anti-inflammatory drug (NSAID) use, and a trial period of activity modification, the WVMI nurse testified that she could not approve the imaging request in the absence of that information. The request was forwarded to a physician for review, and denied. The lack of conservative treatment durations and outcomes were provided as denial reasons on the Department's denial notification (Exhibit D-3).
- 4) The Claimant testified that his doctor prescribed an MRI and that he wanted an MRI to obtain back surgery to address his pain. The Claimant described his medical problems. The Claimant requested consideration of evidence that was not submitted timely. The Claimant was issued a scheduling notice from this Hearing Officer outlining the deadline for evidence submission. This deadline was not met, and the Claimant's untimely request to submit evidence was denied.
- 5) Policy from the West Virginia Bureau for Medical Services Provider Manual, Chapter 510: Hospital Services, §510.8.1, provides the 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.

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.

VIII. CONCLUSION OF LAW:

- 1) Policy provides that prior authorization is required for the proposed imaging services. The Department clearly showed that the request from the Claimant's physician did not include sufficient information to meet the clinical indications for these services. Without information documenting failed trials of NSAID treatment and activity modification, the criteria for approving an MRI for the Claimant could not be met. The Department was correct in its decision to deny prior authorization for MRI services.

IX. DECISION:

It is the decision of the State Hearing Officer to **uphold** the Department's denial of prior authorization for Magnetic Resonance Imaging services for the Claimant.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this _____ Day of November, 2009.

Todd Thornton
State Hearing Officer