



State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
203 E. 3rd Avenue
Williamson, WV 25661

Joe Manchin III
Governor

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

September 28, 2009

Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held August 18, 2009. Your hearing request was based on the Department of Health and Human Resources' denial of Medicaid authorization for denial of a Magnetic Resonance Imaging (MRI) test 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 an MRI. Failure to obtain prior authorization will result in denial of the service. 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, & InterQual Smart Sheets 2008 – Imaging Criteria)

The information presented at your hearing reveals that prior authorization for payment of a MRI of your lumbar spine was not approved because the information your physician submitted does not meet the InterQual initial clinical indications criteria and there was insufficient documentation for the physician reviewer to determine medical appropriateness.

It is the decision of the State Hearing Officer to **uphold** the action of the Department to deny Medicaid authorization for physical/occupational therapy.

Sincerely,

Stephen M. Baisden
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(s): 09-BOR-1455

**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 September 28, 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 hearing was held at the Wyoming County office of the WV Dept. of Health and Human Resources (DHHR), with representatives from the DHHR Bureau of Medical Services (BMS) and WV Medical Institute (WVMI) participating by telephone, on August 18, 2009 on a timely appeal filed July 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, DHHR Specialist, Bureau for Medical Services
Lisa Goodall, RN, West Virginia Medical Institute

Presiding at the hearing was Stephen M. Baisden, 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 in its decision to deny Medicaid payment for a Magnetic Resonance Imaging (MRI) examination of the claimant's lumbar spine.

V. APPLICABLE POLICY:

WVDHHR Medicaid Policy Manual, Chapter 510 & InterQual Smart Sheets 2008 - Imaging Criteria.

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 WV DHHR Medicaid Hospital Services Provider Manual Chapter 510 and West Virginia Medical Institute Screening Criteria
- D-2 Information from [REDACTED] D.O. and report from previous MRI performed at [REDACTED] Hospital on 5/14/07.
- D-3 InterQual Smart Sheets – 2008 Imaging Criteria
- D-4 Notices of Denial from WV Medical Institute (WVMI) dated June 4, 2009

VII. FINDINGS OF FACT:

- 1) WV DHHR Medicaid Hospital Services Provider Manual Chapter 510.8.1 (Exhibit D-1) states in 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 (PET) Scans, 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.

- 2) WV DHHR Medicaid Hospital Services Provider Manual Chapter 512.14 states in 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.

- 3) WV DHHR Medicaid Hospital Services Provider Manual Chapter 320. 3 states in part:

Various in-state and out-of-state services (for example, but not limited to, hospital inpatient care, nursing facility services, etc.) covered by the WV Medicaid Program must be approved in advance before payment can be made. Pre-service review and prior authorization may be required to initiate treatment or extend treatment beyond the amount, scope, or duration that is routinely allowed or was originally approved. It is the responsibility of the provider of the service to secure prior approval before rendering the service.

...

The provider must submit written documentation demonstrating the medical necessity and appropriateness of the proposed treatment.

- 4) The Claimant's physician, Dr. [REDACTED] submitted a Medicaid Authorization Request Form along with a radiology report from a previous MRI (Exhibit D-2) to West Virginia Medical Institute (WVMI) on May 29, 2009 requesting pre-authorization for imaging services. Item D on the request form, labeled "Clinical Reasons for Study," stated only "Patient has had history of low back pain." Item F, labeled "Related Medications, Treatments and Therapies," stated only a medication, Lyrica, and indicated no conservative treatment durations or outcomes.
- 5) Based on information taken from the physician's Medicaid Authorization Request Form, the WVMI completed an imaging criteria screening form, known as InterQual Smart Sheets (Exhibit D-3). According to these sheets, the physician's request for the MRI did not demonstrate the medical necessity or appropriateness of the treatment.
- 6) WVMI sent Notices of Denial (Exhibit D-4) to the Claimant, his physician and the Princeton Community Hospital on June 4, 2009. The notices state that the requests for therapy services were denied because InterQual criteria were not met. According to the

VIII. CONCLUSIONS OF LAW:

- 1) Policy requires pre-authorization of Medicaid coverage for MRI scans.
- 2) The claimant's physician requested pre-authorization for an MRI scan on May 29, 2009.
- 3) Based on the physician's pre-authorization request, nursing staff at the WVMJ completed InterQual Smart Sheets to evaluate the merits of the request.
- 4) The InterQual Smart Sheets failed to indicate any physical or neurological examination findings. There was nothing entered in the "Indications" section that would lead a reviewer to look deeper in the decision-making process. Pain in and of itself is not an indication.
- 5) The physician's request form failed to indicate any conservative treatment durations or outcomes.
- 6) The medical evidence submitted by the Claimant's physician failed to meet prior authorization criteria; therefore, the Department acted correctly in denying the Claimant's request for Medicaid payment of an MRI examination.

IX. DECISION:

It is the ruling of the State Hearing Officer to **uphold** the Department's decision to deny Claimant's physician's request for an MRI.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 28th Day of September 2009.

Stephen M. Baisden
State Hearing Officer