



State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
P. O. Box 468
Hamlin, WV 25523

Joe Manchin III
Governor

Martha Yeager Walker
Secretary

February 26, 2009

Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held February 25, 2009. Your hearing request was based on the Department of Health and Human Resources' decision to deny prior-authorization for a Left Knee Replacement.

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 certain surgeries performed in place of service 22 (Outpatient Hospital) and 24 (Ambulatory Surgical Center) will require prior authorization, effective February 15, 2007. One of the selected surgeries that require prior authorization is total knee arthroplasty CPT code #27447. (WVDHHR Medicaid Policy Manual, Chapter 519) The InterQual Smartsheet is used to determine appropriateness of procedures. For Total Joint Replacement of the Knee, the form provides that documentation of certain conservative treatments must be shown. (InterQual SmartSheets 2008 – Procedures Criteria)

The information presented at your hearing reveals that prior authorization for Left Knee Replacement was not approved because the information your physician submitted does not meet the InterQual initial clinical indications criteria and there was insufficient documentation of prior conservative treatments for the physician reviewer to determine medical appropriateness.

It is the decision of the State Hearing Officer to **uphold** the action of the Department in denying your request for prior authorization of Left Knee Replacement.

Sincerely,

Cheryl Henson
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: 08-BOR-2696

**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 February 24, 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 February 25, 2009 on a timely appeal filed January 6, 2009.

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, participated by telephone

Virginia Evans, BMS, participated by telephone

Jenny Craft, WVMI, participated by telephone

Presiding at the hearing was Cheryl Henson, State Hearing Officer and a member of the State Board of Review.

It should be noted that the Claimant was originally scheduled to participate in this hearing by Videoconference from the Raleigh County DHHR Office, however, due to transportation problems, the Claimant elected to participate by telephone rather than reschedule the hearing.

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 Left Knee Replacement.

V. APPLICABLE POLICY:

WVDHHR Medicaid Policy Manual, Chapter 519 & InterQual SmartSheets 2008 – Procedures Criteria

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 WVDHHR Medicaid Manual Chapter 519.20.1 and Attachment 17
- D-2 InterQual SmartSheets 2008 Procedures Criteria for Total Joint Replacement (TJR) Knee
- D-3 WVMI Medicaid Imaging Authorization Request Form dated December 10, 2008 and Accompanying medical documentation (10 pages)
- D-4 Notices of Denial dated December 16, 2008

Claimant's Exhibits:

None

VII. FINDINGS OF FACT:

- 1) On or about December 16, 2008 the Claimant was notified via a Notice of Denial (Exhibit D-4) that his request of prior authorization (PA) for Left Knee Replacement was denied. The notice included the following pertinent information:

Reason for Denial: InterQual Surgical criteria was not met.

Left Total Knee Replacement

Per information submitted, there was no documentation of conservative treatment.

- 2) Evidence presented by the Department reveals that PA is required for Medicaid payment for a Left Knee Replacement. West Virginia Medical Institute (WVMI) is the agency contracted to review PA requests and determine eligibility. The WVMI representative testified that the Claimant's physician provided the following pertinent information (D-3) for review:

Clinical Reasons for Study: knee pain, swelling, numbness, decreased range of motion

Previous Relative Diagnostic Studies: MRI of the Left Knee

Related Medications, Treatments, and Therapies – NONE

She stated that she also received medical documentation from [REDACTED] and a Diagnostic Imaging Report.

- 3) The WVMI representative testified that she reviewed all the provided documentation (D-3) and compared it to the InterQual SmartSheets 2008 Procedures Criteria for Total Joint Replacement (TJR), Knee. Since the documentation provided by the physician indicated the Claimant has a diagnosis of osteoarthritis, she looked at the requirements under this condition. She found that the Claimant failed to meet the requirements under conservative treatment trials. The InterQual criteria requires evidence to show that the Claimant had tried Non-Steroid Anti-Inflammatory (NSAID) medication for at least four (4) weeks and the outcome, or evidence to show the medication was contraindicated or not tolerated. No evidence was provided in this area. The criteria also calls for evidence of greater than twelve (12) weeks of Physical Therapy, and external joint support for more than twelve (12) weeks. None was provided. In fact, the physician reports on the WVMI Medicaid Outpatient Services Authorization Request Form (D-3) that the Claimant had no related medications, treatments, or therapies.
- 4) The Claimant testified that he used to see another physician, but because he lost his medical card he began seeing Dr. [REDACTED] who completed the prior authorization request form. He indicates this is why Dr. [REDACTED] wrote "none" in the section asking about related medications, treatments, and therapies. He indicates he has had previous medications and external joint supports, and has been involved with physical therapy; however his previous physician has those records. He indicates he has multiple problems in addition to the knee issue and has just recently been approved for Supplemental Security Income.

- 5) WVDHHR Medicaid Policy Manual, Chapter 519.20.1 and Attachment 17 provides prior Authorization Requirements for Left Knee Replacement and states in pertinent part:

Certain surgeries performed in place of service 22 (Outpatient Hospital) and 24 (Ambulatory Surgical Center) will require prior authorization, effective February 15, 2006. The selected surgeries that require prior authorization through the BMS review contractor are listing in Attachment 17, along with the PA form that may be utilized.

ATTACHMENT 17
OUTPATIENT SURGERY PA REQUIREMENTS

CPT Code	Procedure
27447	Total Knee Arthroplasty

- 6) InterQual SmartSheets 2008 – Procedures Criteria, provides screening guidelines for medical appropriateness of healthcare services. This document provides a list of Clinical Indications (100 through 700) that must be met in order to receive PA.

VIII. CONCLUSIONS OF LAW:

- 1) WVDHHR Medicaid Policy Manual states that prior authorization (PA) is required for the surgery requested by the physician, that being Total Knee Arthroplasty CPT Code 27447. The 2008 – Procedures Criteria found on the InterQual SmartSheet is used to determine the medical appropriateness of the surgery. The WVMI representative uses the clinical indications criteria under a specific diagnosis to determine the appropriateness of the procedure. 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 from the Claimant’s physician for prior authorization (PA) of Medicaid payment for Left Knee Replacement surgery. This request did not include documentation of any failed trials of conservative treatment. Because the WVMI nurse determined that the request did not contain sufficient documentation necessary to meet any of the initial clinical indications criteria for approval, the request was sent to a physician reviewer to determine medical necessity. The physician reviewer was unable to find clinical justification to approve the authorization for a Left Knee Replacement.
- 3) Clearly the Department did not have sufficient information to approve the request. The Department followed policy in evaluating the request, and made the proper decision to deny prior authorization based on lack of sufficient information necessary to determine appropriateness.

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 Left Knee Replacement.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 26th Day of February, 2009.

**Cheryl Henson
State Hearing Officer**