



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

October 19, 2010

Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held June 3, 2010. Your hearing request was based on the Department of Health and Human Resources' denial of Medicaid authorization for outpatient surgery, a hysteroscopy and endometrial ablation.

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 surgeries. Failure to obtain prior authorization will result in denial of the service. The 2008 – Procedures 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 519, & InterQual Smart Sheets 2008 – Procedures Criteria)

The information presented at your hearing reveals that prior authorization of payment for outpatient surgery 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 outpatient surgery, a hysteroscopy and endometrial ablation.

Sincerely,

Stephen M. Baisden
State Hearing Officer
Member, State Board of Review

cc: Erika Young, Chairman, Board of Review
Amy Workman, WV Bureau of Medical Services

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

-----,
Claimant

v.

Action Number(s): 10-BOR-1219

**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 October 19, 2010 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 on June 3, 2010 on a timely appeal filed April 21, 2010.

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

Virginia Evans, DHHR Specialist, Bureau for Medical Services (BMS)
Sharon Lopez, RN, West Virginia Medical Institute (WVMI)

Presiding at the hearing was Stephen M. Baisden, State Hearing Officer and a member of the State Board of Review.

The Hearing Officer placed all participants under oath at the beginning of the hearing.

IV. QUESTION TO BE DECIDED

The question to be decided is whether the Department was correct in its decision to deny Medicaid payment for outpatient surgery, a hysteroscopy and endometrial ablation.

V. APPLICABLE POLICY:

WVDHHR Medicaid Policy Manual, Chapter 519 and InterQual Smart Sheets 2009 – Procedures Criteria.

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 WV DHHR Medicaid Hospital Services Provider Manual, Section 519.20.1 and Attachment 17
- D-2 InterQual Smart Sheets – Hysteroscopy, Operative
- D-3 WVMi Medicaid Outpatient Services Authorization Request Form and additional documentation, dated April 12, 2010
- D-4 Notices of Denial from WV Medical Institute (WVMi) dated April 13, 2010

VII. FINDINGS OF FACT:

- 1) Claimant's physician, [REDACTED] M.D., submitted a Medicaid Outpatient Services Authorization Request form to WVMi requesting authorization for a diagnostic hysteroscopy (procedure #58555) with endometrial ablation (procedure #58563) for Claimant on April 12, 2010. (Exhibit D-3.) On April 13, 2010, WVMi issued a denial to Claimant and her physician for this service. (Exhibit D-4.) Claimant requested a hearing on this denial on April 21, 2010.
- 2) WV DHHR Medicaid Hospital Services Provider Manual Chapter 519.20.1 (Exhibit D-1) states in 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 [listed] in Attachment 17, along with the PA form that may be utilized.

WV DHHR Medicaid Hospital Services Provider Manual Chapter 519, Attachment 17 lists the selected surgical procedures that require prior authorization. Item #58555 is listed as "Hysteroscopy, diagnostic" and Item #58563 is listed as "With endometrial ablation."

- 3) Based on information taken from the physician's Medicaid Authorization Request Form, WVMi's authorization request reviewer completed a procedures criteria screening form, known as InterQual Smart Sheets (Exhibit D-2). According to these

sheets, a physician requesting this procedure must demonstrate all of the following indications:

- a) Abnormal bleeding for more than three cycles;
 - b) Vagina and cervix normal by physical examination;
 - c) Thyroid disease excluded by patient history, physical examination, or patient history;
 - d) A normal PAP smear within the previous year;
 - e) Possibility of pregnancy excluded;
 - f) If patient is under the age of 35, prescribing of progestin or oral contraceptives for three cycles;
 - g) The condition must interfere with activities of daily living, or the hemoglobin count must be under 0.27 (27%) and the hematocrit count must be under 9.0 g/L.
- 4) According to the Notice of Denial for Outpatient Services (Exhibit D-4), the requested procedure was denied for the following reasons:
- “The information provided did not meet the indications for this procedure. There was no documentation submitted regarding conservative management with cyclic provera or other suppressives that can be taken even if smoker and hemoglobin and hematocrit are within normal limits.”
- 5) Department’s witness testified that most, but not all, of the indications listed in item #3 above were met. She stated that no conservative management, which was identified as prescribing progestin or an oral contraceptive for three cycles, was documented. She testified that Claimant’s hemoglobin and hematocrit counts were within normal limits, and were not low enough to meet the requirements of item #3-g above. She added that there was no documentation concerning activities of daily living.
- 6) Claimant testified that her physician did not prescribe progestin or an oral contraceptive because she has a family history of breast cancer. She stated that she pointed this out to her physician, who agreed that a prescription for either progestin or an oral contraceptive was contraindicated. The Medicaid Outpatient Services Authorization Request Form and attached information (Exhibit D-3) states at item #F, labeled “Related Medications, Treatments and Therapies” that Claimant is not a candidate for oral contraceptives.

VIII. CONCLUSIONS OF LAW:

- 1) Policy requires pre-authorization of Medicaid coverage for outpatient procedures such as a hysteroscopy and endometrial ablation.

- 2) The claimant's physician requested pre-authorization for an outpatient hysteroscopy and endometrial ablation on April 12, 2010.
- 3) Based on the physician's pre-authorization request, nursing staff at the WVMC completed InterQual Smart Sheets to evaluate the merits of the request.
- 4) The physician's request form and attached medical records failed to meet the InterQual Smart Sheets' requirements for the outpatient hysteroscopy and endometrial ablation. The request form and attached records did not document that Claimant's hemoglobin and hematocrit counts were under the limits required on the InterQual Smart Sheets, and it did not document that her condition interfered with her activities of daily living. The request form did not document that Claimant's physician prescribed progestin or an oral contraceptive.
- 6) The medical evidence submitted by Claimant's physician failed to meet prior authorization criteria; therefore, the Department acted correctly in denying Claimant's request of payment for an outpatient hysteroscopy and endometrial ablation.

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 outpatient surgery, a hysteroscopy and endometrial ablation.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 19th Day of October 2010.

Stephen M. Baisden
State Hearing Officer