



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

April 27, 2010

-----For: -----

Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held November 16, 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 thoracic 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 an MRI of your son's thoracic 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 an MRI.

Sincerely,

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

cc: Erika H. Young, Chairman, Board of Review
Lorna Harris, WV Bureau of Medical Services

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

-----, Claimant

v.

Action Number(s): 09-BOR-1925

**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 April 27, 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 at the [REDACTED] County office of the WV Department of Health and Human Resources (DHHR), with representatives from the DHHR Bureau of Medical Services (BMS) and WV Medical Institute (WVMI) participating by conference call, on November 16, 2009 on a timely appeal filed September 22, 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's Representative and Parent
-----, Claimant's Representative and Parent

Joann Ranson, Bureau for Medical Services, Department's Representative
Kathy Montali, RN, West Virginia Medical Institute, Department's Witness

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 a Magnetic Resonance Imaging (MRI) examination of the claimant's thoracic 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 WVMi Medicaid Imaging Authorization Request form from [REDACTED] Certified Physician's Assistant, dated September 15, 2009
- D-3 InterQual Smart Sheets – 2008 Imaging Criteria
- D-4 Notices of Denial from WV Medical Institute (WVMi) dated September 17, 2009

Claimant's Exhibits:

- C-1 Copy of physical examination report from [REDACTED] Clinic dated November 12, 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) Physician's Assistant [REDACTED] PAC, submitted a Medicaid Authorization Request Form on Claimant's behalf to West Virginia Medical Institute (WVMI) on September 15, 2009, requesting pre-authorization for imaging services. Item D on the request form, labeled "Clinical Reasons for Study," stated "R/O [rule out] disc herniation." At item E, labeled "Previous diagnostic studies (e.g. ultrasound, CT Scans, X-Ray, MRI, labs), the person who completed the form wrote "X-Ray CAMC 1/10/07 C Spine T Spine (WNL) lifting tree limbs pain off & on since." At item F, labeled

“Related Medications, Treatments and Therapies,” the same person wrote, “Tylenol 500 mg, Naprosen 500 mg.”

- 5) Based on the information taken from the physician’s Medicaid Authorization Request Form, the WVMi reviewer completed an imaging criteria screening form, known as an InterQual Smart Sheet, and concluded that she did not have enough medical information for her to approve the procedure. She forwarded the request to WVMi’s physician reviewer, who issued the denial.
- 6) WVMi sent Notices of Denial (Exhibit D-3) to the Claimant and the Charleston Area Medical Center on September 17, 2009. The notices state in pertinent part:

Reason for Denial: Medical necessity not met.

MRI OF THE THORACIC SPINE PEDIATRIC

There were no recent x-rays noted. The information submitted did not meet medical necessity.

- 7) On November 12, 2009, a physician from [REDACTED] Clinic in [REDACTED] submitted by FAX to WVMi and to Hearings Examiner the results from a physical examination of Claimant completed on October 6, 2009. (Exhibit C-1) This information was received after the denial had been issued and has no bearing on this decision.
- 8) Department’s witness and WVMi application reviewer testified that the person who requested this procedure indicated that x-rays of the thoracic and cervical spine were completed on January 10, 2007, and were within normal limits. She stated that there were no indications that they were trying to rule out radiculopathy or myelopathy. So as reviewer, she had nowhere to start her review. She stated there were no physical examination findings, the x-ray was two years old, and the only information provided about treatment was that Claimant was being given Tylenol and Naprosin. There was no indication as to how long Claimant had been on these medications, if he had any physical therapy, if he had been placed on bed-rest or if he had been told not to do any heavy lifting.
- 9) Department’s witness and WVMi application reviewer testified that she had received by FAX the results of Claimant’s physical examination from October 6, 2009. She stated that she received this information on November 12, 2009. She testified that although this information came to her long after the denial date of Claimant’s MRI pre-authorization request, she reviewed it to see if she could locate information that she could relate to WVMi’s imaging criteria at her level of review. She stated that there was nothing in this evidence that she could use to help Claimant to meet the criteria.
- 10) Claimant’s representative testified that Claimant’s back problems have been occurring for the past four years. These problems prevent Claimant from playing sports and participating in other activities that he enjoys. Claimant’s representative offered no substantive evidence or testimony to refute the Department’s denial of the MRI pre-authorization request.

VIII. CONCLUSIONS OF LAW:

- 1) Policy requires pre-authorization of Medicaid coverage for MRI examinations.
- 2) Claimant's Certified Physician's Assistant requested pre-authorization for an MRI examination on September 15, 2009.
- 3) The nurse reviewer completed InterQual Smart Sheets to evaluate the merits of the request and was unable to approve the procedure. She forwarded the request to WVMI's physician reviewer, who issued the denial.
- 4) The physician's pre-authorization request failed to indicate any physical examination findings. There was nothing entered in the "Clinical Reasons for Study" section that corresponded to the "Indications" section of the Nurse Reviewer's InterQual Smart Sheets criteria. The only indications of x-rays were over two years old. The only treatment listed on the pre-authorization request was Tylenol and Naprosin, with nothing to indicate how long this treatment had been attempted. There were no indications Claimant had tried physical therapy, bed-rest, or other conservative treatments.
- 5) The medical evidence submitted on behalf of Claimant 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 27th Day of April 2010.

Stephen M. Baisden
State Hearing Officer