



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

May 17, 2010

Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held January 19, 2010. 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 an MRI.

Sincerely,

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

cc: Erika Young, Chairman, Board of Review
Lorna Harris, WV Bureau of Medical Service

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

-----,
Claimant

v.

Action Number(s): 09-BOR-2134

**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 May 17, 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 January 19, 2010 on a timely appeal filed October 27, 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, Department's Representative
Lisa Goodall, 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.

All parties participated via telephone conference call.

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 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
- D-2 WVMi Medicaid Imaging Authorization Request form from [REDACTED] Nurse Practitioner, dated October 19, 2009 and InterQual Smart Sheets – 2008 Imaging Criteria
- D-3 Notices of Denial from WV Medical Institute (WVMi) dated October 20, 2009
- D-4 Information received from Claimant dated October 24, 2010

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 nurse practitioner, [REDACTED] under supervision of physician [REDACTED] MD, submitted a Medicaid Authorization Request Form to West Virginia Medical Institute (WVMI) on October 19, 2009 requesting pre-authorization for imaging services, an MRI of the lumbar spine. Item B on the request form, labeled "Imaging Study Requested," asks the medical professional to enter the name and Current Procedural Terminology (CPT) code for the requested imaging study. The person who completed this form has entered "MRI Lumbar Spine" with CPT code number 72148. Item D on the form, labeled "Clinical Reasons for Study," stated only "Chronic lower lumbar pain." At item E, labeled "Previous diagnostic studies (e.g. ultrasound, CT Scans, X-Ray, MRI, labs), the person who completed the form wrote "physical therapy." At item F, labeled "Related Medications, Treatments and Therapies," the person who completed the form again wrote "physical therapy."
- 5) Based on the information from the physician's Medicaid Authorization Request Form, the WVMI reviewer completed an imaging criteria screening form, known as InterQual

Smart Sheets. (Exhibit D-2.) The nurse reviewer found that there was insufficient information for her to approve the request. There is no indication for CPT code #72148 that corresponds to the reason for this study, stated on the request form at Item D as "Chronic lower lumbar pain." Claimant's Pre-Authorization request was forwarded to WVMi's physician reviewer, who issued the denial.

- 6) WVMi sent Notices of Denial (Exhibit D-3) to the Claimant, her physician and her nurse practitioner on October 20, 2009. The notices state in pertinent part:

Reason for Denial: InterQual criteria not met:

MRI OF THE LUMBAR SPINE

There were no physical or neurological examination findings by the physician noted and no conservative treatment durations and outcomes noted such as NSAID therapy and activity modifications.

- 7) Department's witness and WVMi application reviewer testified that the requesting nurse practitioner did not provide information regarding medications, previous studies or therapies. She stated that the referral request simply said there was chronic lower lumbar pain. She stated that the nurse practitioner had written at Item E (Previous Relative Diagnostic Studies), "physical therapy." She stated that physical therapy is not a diagnostic study. The reviewer testified that the request was forwarded to the physician reviewer, and the physician reviewer issued the denial. She stated that there was no documentation of physical or neurological examination findings, and no conservative treatment durations or outcomes noted, such as NSAID therapy or activity modification.
- 8) Claimant testified that she obtained a copy of an x-ray report from August 14, 2009. She stated that she sent this report to WVMi along with a letter requesting reconsideration of the denial on October 24, 2009. (Exhibit D-4.) Department representative answered that requests for reconsideration and additional medical information must be submitted by a physician's office. Department's witness stated that the WVMi could not consider medical information that was not submitted by a physician's office. Claimant asked Department's witness why the presence of scoliosis did not meet the criteria of further testing. Department's witness stated that there was nothing in the pre-authorization request that referred to the presence of scoliosis. Claimant offered no substantial 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) The claimant's physician requested pre-authorization for an MRI examination on October 19, 2009.
- 3) The nurse reviewer at the WVMi completed InterQual Smart Sheets to evaluate the merits of the request, and determined that there was insufficient medical information for

her to approve the MRI. She forwarded the request to WVMI's physician reviewer, who issued a denial of the requested imaging service.

- 4) The physician's pre-authorization request failed to indicate any physical or neurological examination findings. It failed to indicate any documentation of conservative treatment durations or outcomes, previous diagnostic studies or medications.
- 5) 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 17th Day of May 2010.

Stephen M. Baisden
State Hearing Officer