



State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
2699 Park Avenue, Suite 100
Huntington, WV 25704

Joe Manchin III
Governor

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

April 13, 2010

Dear -----:

Attached is a copy of the findings of fact and conclusions of law on your hearing held January 14, 2010. Your hearing request was based on the Department of Health and Human Resources' decision to deny prior authorization for Computed Tomography (CT) services.

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.

Medicaid regulations require prior authorization on all outpatient radiological services, including CT. This prior authorization must be obtained from the West Virginia Medical Institute. Failure to obtain prior authorization results in denial of the service. (West Virginia Bureau for Medical Services Provider Manual, Chapter 510: Hospital Services, §510.8.1)

Information submitted at your hearing revealed that the necessary clinical indications for CT prior authorization were not met.

It is the decision of the State Hearing Officer to **uphold** the action of the Department to deny prior authorization for CT services.

Sincerely,

Todd Thornton
State Hearing Officer
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review
Lorna Harris, Department Representative

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

-----,

Claimant,

v.

Action Number: 09-BOR-2136

**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 13, 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 fair hearing was convened on January 14, 2010 on a timely appeal, filed October 26, 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 the 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, Department Representative, Bureau for Medical Services
Kathy Montali, RN, West Virginia Medical Institute

Presiding at the Hearing was Todd Thornton, 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 to deny prior authorization for Computed Tomography (CT) services to the Claimant.

V. APPLICABLE POLICY:

West Virginia Bureau for Medical Services Provider Manual, Chapter 510: Hospital Services, §510.8.1

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 West Virginia Bureau for Medical Services Provider Manual, Chapter 528: Radiology Services, §528.7
- D-2 WVMi Medicaid Imaging Authorization Request Form, dated September 10, 2009; Medical information
- D-3 InterQual SmartSheets, 2009 – Imaging Criteria, for Computed Tomography (CT), Abdomen and Pelvis
- D-4 Denial notices dated September 11, 2009

VII. FINDINGS OF FACT:

- 1) Stacy Hanshaw, representative for the Department's Bureau for Medical Services, testified that, in response to a request (Exhibit D-2) for Computed Tomography (CT) of the abdomen and pelvis for the Claimant, denial notices were issued on or about September 11, 2009 to the Claimant, his prescribing practitioner, and the servicing provider (Exhibit D-4). The notice provided the reason for denial as follows, in pertinent part:

CT ABDOMEN/PELVIS

The information submitted did not meet the clinical indications for the requested study. There was insufficient information provided regarding:

- abdominal mass by PE/KUB/US
- lab testing showing abnormal WBC or CBC, anemia
- hemoccults (+)
- physical exam findings
- weight loss

- 2) Kathy Montali, the reviewing nurse from the West Virginia Medical Institute (WVMI), testified that she received and reviewed the Claimant's CT request (Exhibit D-2). She reviewed the information provided with the request against the criteria specific to imaging requests on the InterQual SmartSheets (Exhibit D-3) for CT of the abdomen and pelvis, and determined the corresponding indications of: acute abdominal pain, unknown etiology (coded as 500 on the InterQual SmartSheets), and new onset/change in nonspecific GI symptoms (coded as 1100).
- 3) Ms. Montali testified that in reviewing indication 500, the Claimant's documentation specifically stated "no abdominal tenderness," (Exhibit D-2, page 5 of 10) and required item 510 is abdominal tenderness. Required items 520 – CBC normal, and 540 – U/A or urine culture normal, were not documented with recent test results.
- 4) Ms. Montali testified that she reviewed indication 1100, and that required item 1110 - requiring an age greater than or equal to 40 – was met, but that required item 1120 – FOBT negative – was not met, because documentation did not include the results of a current fecal occult blood test (FOBT).
- 5) Ms. Montali testified that she could not approve the imaging request in the absence of that information. The request was forwarded to a physician for review, and denied.
- 6) The Claimant testified that his physician requested the CT, and that it must be important for this reason.
- 7) Policy from the West Virginia Bureau for Medical Services Provider Manual, Chapter 510: Hospital Services, §510.8.1, provides the prior authorization requirements for outpatient services, and states, in pertinent part:

Effective 10/01/05, prior authorization will be required on all outpatient radiological services that include Computerized Tomography (CT), Magnetic Resonance Angiography (MRA), Computed Tomography (CT), 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. 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.

Critical Access Hospitals (CAHs) who have chosen encounter, as well as those who bill Fee For Service, must obtain a prior authorization for certain diagnostic imaging testing. Reimbursement for diagnostic imaging services are considered part of the encounter and cannot be billed separately. CAHs will be required to obtain a PA from WVMI and document this information in the patient's medical record for audit purposes.

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.

VIII. CONCLUSION OF LAW:

- 1) Policy provides that prior authorization is required for the proposed imaging service. Undisputed testimony and evidence from the Department showed that the Claimant's CT request did not include sufficient information to meet the clinical indications for the service. The Department was correct in its decision to deny prior authorization for CT imaging.

IX. DECISION:

It is the decision of the State Hearing Officer to **uphold** the Department's denial of prior authorization for Computed Tomography imaging for the Claimant.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this ____ Day of April, 2010.

Todd Thornton
State Hearing Officer