



State of West Virginia  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Office of Inspector General  
Board of Review  
203 E. 3<sup>rd</sup> Avenue  
Williamson, WV 25661

Earl Ray Tomblin  
Governor

Michael J. Lewis, M.D., Ph.D.  
Cabinet Secretary

August 4, 2011

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Dear -----:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held July 19, 2011. Your hearing request was based on the Department of Health and Human Resources' denial of Medicaid authorization for a Magnetic Resonance Imaging (MRI) examination 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 2010 – 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, and InterQual Smart Sheets 2010 – Imaging Criteria)

The information presented at your hearing reveals that prior authorization for payment of an MRI of the 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  
Amy Workman, WV Bureau of Medical Service

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

**IN RE: -----,**

**Claimant,**

**v.**

**ACTION NO: 11-BOR-1203**

**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 August 4, 2011 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 by telephone conference call on July 19, 2011 on a timely appeal filed May 11, 2011.

**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

-----, Claimant's Witness

Stacy Hanshaw, Bureau for Medical Services, Department's Representative

Jens Wiik, 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 Claimant's lumbar spine.

#### **V. APPLICABLE POLICY:**

WVDHHR Medicaid Policy Manual, Chapter 320, Chapter 528 and InterQual Smart Sheets 2010 - Imaging Criteria.

#### **VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:**

##### **Department's Exhibits:**

D-1 WV DHHR Medicaid Hospital Services Provider Manual Chapter 528

D-2 InterQual Smart Sheets – 2010 Imaging Criteria

D-3 Notices of Denial from WV Medical Institute (WVMI) dated May 4, 2011

#### **VII. FINDINGS OF FACT:**

- 1) 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.

- 2) WV DHHR Medicaid Hospital Services Provider Manual Chapter 528.5 states in part:

Radiology services provided by Medicaid enrolled providers are considered for reimbursement by West Virginia Medicaid when the services are determined medically necessary to meet the healthcare

needs of the member. If the radiology service is a covered service and requires prior approval, the prior authorization is required prior to the service being rendered regardless of the place of service unless medically necessary during an emergent visit at an emergency room. A referring/ treating provider must order all covered services.

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Radiology services eligible for coverage include, but are not limited to:

- Diagnostic x-ray tests and therapeutic procedures
- CT, MRI, MRA and PET Scans
- Radiation oncology/Interventional Radiology
- Bone Density Tests
- Nuclear medicine services
- Ultrasound services provided by radiologists and certain medical specialists
- Radiopharmaceutical and contrast materials
- One interpretation/report per radiology procedure

- 3) WV DHHR Medicaid Hospital Services Provider Manual Chapter 528.7 (Exhibit D-1) states in part:

For radiology services requiring prior authorization for medical necessity by the Utilization Management Contractor (UMC), the referring/treating provider must submit the appropriate CPT code with clinical documentation and any other pertinent information to be used for clinical justification of services by the UMC. The information must be provided to the UMC, and the prior authorization granted, prior to services being rendered. Prior authorization requests for radiological services must be submitted within the timeframe required by the UMC.

- 4) Department's witness testifies that Claimant's physician, [REDACTED] MD, submitted a Medicaid preauthorization request by telephone to the West Virginia Medical Institute (WVMI) in May 2011, requesting preauthorization for imaging services for Claimant, an MRI of the lumbar spine. Department's witness stated the person who called in the request asked for an MRI of the lumbar spine. Department's witness reported that the caller stated the reason for the request was suspected lumbar radiculopathy and neuropathy. Department's witness stated that the caller reported Claimant had an electromyography in October 2008, with normal results, and a CT scan in 2008 that indicated scoliosis. Department's witness said the caller reported Claimant had been prescribed Lortab and Lyrica, but did not report the duration of these medication trials or their results.

- 5) Based on the information from the physician's preauthorization request, 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 to approve the request. Claimant's preauthorization request was forwarded to WVMi's physician reviewer, who denied the request for services.
- 6) WVMi sent Notices of Denial (Exhibit D-3) to the Claimant, the hospital at which the imaging studies were to be done, and his physician on March 22, 2011. The notices state in pertinent part:

Reason for Denial:

InterQual Criteria Not Met

The information submitted did not meet the clinical indications for the requested study, MRI Lumbar Spine. There was no information provided regarding recent objective abnormal neurological findings on examination or a completed and failed trial of conservative treatment with three weeks of NSAIDs [Non-Steroidal Anti-Inflammatory Drugs] and six weeks of activity modification.

- 7) Department's witness testified that the MRI was denied because of a lack of information. He testified that the cited clinical studies were not recent enough to be considered in evaluating this request. He stated that there was no documentation of a trial of activity modification such as physical therapy for more than six weeks and no documentation of the duration of the NSAIDs trial or the results of the trial.
- 8) Claimant's witness, a physician who had treated Claimant in the past, testified that he knew Claimant had a more recent objective abnormal neurological finding, and that activity modification and NSAID therapy had been attempted unsuccessfully for the amount of time required by the criteria. However, he stated, he understood that Claimant's physician's office did not provide thorough and accurate information. Claimant testified that he had suffered from back problems for the past fifteen years. He stated that he did not want to continue with medications, he wanted to have his back problems corrected. Neither Claimant nor his witness provided substantive rebuttal to the Department's testimony or evidence.

## **VIII. CONCLUSIONS OF LAW:**

- 1) Policy requires pre-authorization of Medicaid coverage for MRI examinations.
- 2) The nurse reviewer at the WVMi completed InterQual Smart Sheets to evaluate the merits of the request by Claimant's physician for an MRI of the lumbar spine, and determined that there was insufficient medical information for him to approve the MRI. He forwarded

the request to WVMi's physician reviewer, who issued a denial of the requested imaging service.

- 3) The physician's preauthorization request did not provide enough information required for the reviewer to approve the MRI. It did not document recent abnormal neurological findings. It did not document a trial of activity modification such as physical therapy, or the duration or results of Claimant's NSAID trial.
- 4) 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 of the lumbar spine.

**IX. DECISION:**

It is the ruling of the State Hearing Officer to **uphold** the Department's decision to deny the request by Claimant's physician for an MRI of the lumbar spine.

**X. RIGHT OF APPEAL:**

See Attachment

**XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 4th Day of August, 2011.**

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**Stephen M. Baisden**  
**State Hearing Officer**