



State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
9083 Middletown Mall
White Hall, WV 26554

Earl Ray Tomblin
Governor

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

November 10, 2011

Dear -----:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held November 9, 2011. Your hearing request was based on the Department of Health and Human Resources' decision to deny prior authorization for Medicaid payment of Magnetic Resonance Imaging (MRI) 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 MRI. The referring or treating provider must submit all pertinent information to be used for clinical justification of the services. This information must be provided, and the prior authorization granted, prior to services being rendered. [West Virginia Bureau for Medical Services Provider Manual, Chapter 528 (Radiology Services), Section 528.7]

Evidence presented at the hearing reveals that the information submitted for your MRI failed to meet clinical justification. As a result, prior authorization for Medicaid payment of your MRI was correctly denied.

It is the decision of the State Hearing Officer to **uphold** the action of the Department to deny your request for Medicaid payment (prior authorization) of MRI services.

Sincerely,

Thomas E. Arnett
State Hearing Officer
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review
Amy Workman, BMS

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

-----,

Claimant,

v.

Action Number: 11-BOR-2045

**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 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 November 9, 2011 on a timely appeal filed September 15, 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 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, RN, Bureau for Medical Services (BMS), Department's representative
Natalie Tappe, RN, West Virginia Medical Institute (WVMI), Department's witness

Presiding at the hearing was Thomas E. Arnett, State Hearing Officer and a member of the State Board of Review.

This hearing was convened via telephone conference call.

IV. QUESTION TO BE DECIDED:

The question to be decided is whether or not the Department was correct in its decision to deny prior authorization (Medicaid payment) for Magnetic Resonance Imaging (MRI) services.

V. APPLICABLE POLICY:

West Virginia Bureau for Medical Services Provider Manual, Chapter 528: Radiology Services, §528.7

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 West Virginia Bureau for Medical Services Provider Manual, Chapter 528: Radiology Services, Section 528.7 (Pages 1-2)
- D-2 InterQual Smart Sheets 2011-Imaging Criteria: Magnetic Resonance Imaging (MRI), Lumbar Spine (Pages 3-6)
- D-3 Medical information received from [REDACTED] M.D. (Page 7)
- D-4 Notice of Denial for Imaging Services dated August 31, 2011 (Pages 8-10)
- D-5 Information received from -----, Pages 11-13

VII. FINDINGS OF FACT:

- 1) On or about August 31, 2011, the Claimant, the Claimant's physician [REDACTED] M.D.) and the Claimant's service provider [REDACTED] Medical Center) were notified via a Notice of Denial for Imaging Services (Exhibit D-4) that the Claimant's request for prior authorization (PA) for Medicaid payment of MRI of the lumbar spine was denied. The reason for denial is as follows:

There was no documentation of a physical exam with any abnormal focal neurologic findings or that symptoms have continued after conservative treatment with NSAIDs for greater than 3 weeks and activity modifications, such as physical therapy for greater than 6 weeks (InterQual Criteria 100-122).

The physician/provider notices (D-4, bottom of pages 9 and 10) go on to state -

Reconsideration: "If you do not agree with this decision, you may request a reconsideration of this determination. To exercise this right, a written request and supporting documentation must be submitted to WVMI within 60 days of receipt of this notice. WVMI will complete the reconsideration within 30 working days of the request." This section of the notice concludes with information regarding where to send the reconsideration request and additional medical documentation.

- 2) Stacy Hanshaw, RN, Bureau for Medical Services (BMS), testified that prior authorization (PA) is required for Medicaid payment of MRI and that West Virginia Medical Institute (WVMI) is the Utilization Management Contractor (UMC) who reviews PA requests to determine clinical justification. Ms. Hanshaw noted that policy requires the referring/treating provider to submit the appropriate CPT code with clinical documentation and any other pertinent information to be used for clinical justification of services.
- 3) The Claimant's request (Exhibit D-3) was reviewed by WVMI's nurse and the determination was made that the Claimant did not meet the clinical justification required for approval. Natalie Tappe, RN, WVMI, noted that the authorization request (D-3) indicates the clinical reason for the study is "low back pain after surgery," and Section D makes reference to back surgery performed in August 2010. The request, however, failed to include documentation to indicate severe or mild weakness, atrophy in nerve root distribution or conservative treatment results (medication therapy through NSAIDs for greater than 3 weeks or activity modification for more than 6 weeks) which is required under the clinical indications on the Imaging Criteria (D-2). The Claimant's request was forwarded to a physician for review at WVMI, but because the only reason listed for the MRI was low back pain, and none of the InterQual indications were met, PA for Medicaid payment of MRI could not be approved.
- 4) As a matter of record, the Claimant acknowledged there was insufficient information submitted with his request for PA of MRI, but requested that a decision be written so that he could share the findings with his physician.
- 5) Policy from the West Virginia Bureau for Medical Services Provider Manual, Chapter 528: Radiology Services, §528.7, provides the prior authorization requirements for imaging procedures, and states, in pertinent 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.

The UMC reviews all requests for services requiring prior authorization. When the medical documentation does not meet medical necessary criteria or additional information is not received a denial letter is sent to the member or their legal representative, the requesting provider and facility. This denial letter notes the reason for the denial and includes information regarding the member's right to a fair hearing and a Request for Hearing Form for completion. In addition, the letter sent to the provider contains information regarding their right to a reconsideration of the denial.

VIII. CONCLUSION OF LAW:

- 1) Policy stipulates that the referring physician must submit sufficient documentation for clinical justification of radiology services requiring prior authorization for Medicaid payment.
- 2) The Claimant's physician requested authorization for Medicaid coverage of MRI of the Claimant's lumbar spine in August 2011.
- 3) Evidence indicates that WVMi denied the request due to insufficient information and failure to meet InterQual criteria.
- 4) Because the Department could not determine that the prior authorization request met eligibility criteria, it acted correctly in denying Medicaid authorization for the MRI procedure.

IX. DECISION:

It is the decision of the State Hearing Officer to **uphold** the Department's denial of prior authorization for Magnetic Resonance Imaging services 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 November, 2011.

**Thomas E. Arnett
State Hearing Officer**