



State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
203 E. 3rd Avenue

Earl Ray Tomblin
Governor

Rocco S. Fucillo
Cabinet Secretary

November 20, 2012

Dear Mr. ----:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held October 22, 2012. 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 2012 – Imaging Criteria found on InterQual Smart Sheets is used to determine the medical appropriateness of health care services. If the request fails to meet the clinical indications criteria during the nurse's review, it is forwarded to a physician reviewer to determine medical appropriateness. (WVDHHR Medicaid Policy Manual, Chapter 528, and InterQual Smart Sheets 2012 – 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
Stacy Broce, WV Bureau for Medical Services

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

IN RE: ----,

Claimant,

v.

ACTION NO: 12-BOR-2051

**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 for ----. This hearing was held in accordance with the provisions found in Chapter 700 of the West Virginia Department of Health and Human Resources' Common Chapters Manual. This Fair Hearing took place via telephone conference call on October 22, 2012, on a timely appeal filed August 24, 2012.

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 WV Department of Health and Human Resources processes claims for reimbursements to providers participating in the program.

III. PARTICIPANTS:

----, Claimant

---- ----, Claimant's Representative

Stacy Hanshaw, RN, WV 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 2012 - 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 – 2012 Imaging Criteria

D-3 WVMi Medicaid Imaging Authorization Request form from ----, M.D., dated October 4, 2012

D-4 Notices of Denial from WV Medical Institute (WVMi) dated October 8, 2012

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.

...

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.

The UMC reviews all requests for services requiring prior authorizations. When the medical documentation does not meet medical necessity criteria or additional information is not received, a denial letter is sent to the member or his/her 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 his/her right to a reconsideration of the denial.

- 4) Claimant's physician, ----, M.D., submitted a Medicaid Imaging Authorization Request Form and additional documentation (Exhibit D-3) to the West Virginia Medical Institute (WVMI) on October 4, 2012, requesting pre-authorization of imaging services for Claimant, specifically, an MRI of the lumbar spine. On page 1 of the request form, item B, 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 of lumbar spine [without] contrast," CPT code number 72148, and in the field labeled, "Diagnosis Related to Study," he or she has entered, "Lumbago." At the section labeled, "D. Clinical Reasons for Study," it is written, "Lumbago, back pain." At the section labeled, "E. Previous Relative Diagnostic Studies," it is written, "X-ray, pt. x's 3 wk, no improvement." The section labeled, "F. Related Medications, Treatments, and Therapies," has been left blank. Page 2 of the request is a second imaging authorization request for a separate procedure. Page 3 of the request is an order requisition form indicating Claimant's mailing address and telephone number, medical insurance information, a list of diagnoses and the ordering physician's name.
- 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 to approve the request. Claimant's Imaging Authorization Request was forwarded to WVMI's physician reviewer, who denied the request for services.
- 6) WVMI sent Notices of Denial (Exhibit D-4) to the Claimant, his physician, and the hospital at which the imaging studies were to be done on May 19, 2012. The notices state in pertinent part:

Reason for Denial:

The information provided did not meet the clinical indications for the requested MRI of the Lumbar Spine. There were no failed trial of conservative treatment with NSAIDs [non-steroidal anti-inflammatory drugs], or documentation of activity modifications.

- 7) Department's Witness testified that the reason the request was denied was that the included information did not meet any of the clinical indications for the requested study, as was stated in the denial letter. He testified that the three pages submitted as evidence (Exhibit D-3) were the only documentation the requested physician provided to the WVMI. He pointed out that the Imaging Authorization Request Form (Exhibit D-3) stated at item E (Previous Relative Diagnostic Studies) that Claimant had an X-ray and physical therapy with no improvement, but no copies of the X-rays were included. He stated that item F (Related Medications, Treatments and Therapies) was left blank, and

there was no information elsewhere in the request which indicated that Claimant was prescribed NSAIDs or to what effect.

- 8) Department's Representative pointed out the denial letter to the physician (Exhibit D-4) states that if the physician had additional information which could result in the approval of the requested procedure, he or she could submit it for reconsideration to the WVMi within thirteen days of the receipt of the denial. She added that the WVMi received no such additional information.
- 9) Claimant's Representative, his mother, stated that her son is in a great deal of pain and cannot sleep at night. She stated that his doctor told her she cannot do anything for Claimant until he has the requested MRI. Claimant's Representative provided no 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 Imaging Authorization Request did not provide enough information required for the reviewer to approve the MRI. It did not document the results of the X-ray findings. It did not document the duration or results of a trial of NSAIDs, physical therapy or activity modification.
- 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 20th Day of November, 2012.

Stephen M. Baisden
State Hearing Officer