



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

Earl Ray Tomblin
Governor

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

March 19, 2012

Dear -----:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held February 13, 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 shoulder.

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 2011 – 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 2011 – Imaging Criteria)

The information presented at your hearing reveals that prior authorization for payment of an MRI of the shoulder 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-2629

**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 March 19, 2012 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 took place via videoconference, with Claimant and Department's representative appearing at the Bureau for Medical Services in [REDACTED] WV, and the Hearings Examiner at the [REDACTED] County office of the WV DHHR in [REDACTED] WV, on February 13, 2012 on a timely appeal filed December 20, 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

Stacy Hanshaw, WV Bureau for Medical Services, Department's Representative
Natalie Tappe, 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 shoulder.

V. APPLICABLE POLICY:

WVDHHR Medicaid Policy Manual, Chapter 320, Chapter 528 and InterQual Smart Sheets 2011 - 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 – 2011 Imaging Criteria
- D-3 WVMI Medicaid Imaging Authorization Request form and additional documentation from [REDACTED] M.D., dated November 16, 2011
- D-4 Notices of Denial from WV Medical Institute (WVMI) dated November 22, 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.

...

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) Claimant's physician, [REDACTED] M.D., submitted a Medicaid Imaging Authorization Request Form and additional documentation (Exhibit D-3) to the West Virginia Medical Institute (WVMI) on November 16, 2011, requesting pre-authorization of imaging services for Claimant, an MRI of the shoulder. Item B of 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 CPT code number 73221. The clinical reasons for the study are listed as "chronic neck and shoulder pain." At the section labeled, "Previous

Relative Diagnostic Studies,” the person who completed the form has written, “X-ray normal.”

- 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 November 22, 2011. The notices left the “Reason for Denial” section of the form blank.
- 7) Department’s witness testified that in order to approve the imaging study, the request should document that the Claimant had at least two of the following symptoms: joint pain or locking, pain with passive range of motion, a limited range of motion, tenderness, or crepitus or joint “grinding.” She stated that a request should document a shoulder x-ray that did not indicate the origin of the pain. She stated that a request should document that symptoms of pain continued after a course of NSAIDs such as aspirin or ibuprofen for four or more weeks, or that the NSAIDs were contraindicated, and that occupational or physical therapy was attempted for at least six weeks or was contraindicated. She testified that the request did not meet these criteria. Department’s witness testified that the documentation indicated an NSAID, Mobic, was attempted, but it did not document the results or the duration of this trial. She stated the request documented that physical therapy was attempted, but it failed to document the duration or the outcome of this therapy. She stated that the Pre-Authorization Request did not provide any information that could be used to authorize the imaging study, and that was why the “Reason for Denial” section of the denial letters (Exhibit D-4) was left blank.
- 8) Department’s representative pointed out that the denial letters 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 additional information.
- 9) Claimant testified that he had back and leg problems in addition to his shoulder problems. He stated that he was not pleased with his physician’s treatment of his orthopedic problems, and he was investigating the possibility of finding another physician to treat his condition. Claimant 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 shoulder, 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.
- 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 symptoms Claimant was experiencing. It did not document the duration or results of a trial of NSAIDs or activity modification such as physical therapy.
- 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 shoulder.

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 shoulder.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 19th Day of March, 2012.

Stephen M. Baisden
State Hearing Officer