

Title: Standards of Medical Necessity
Policy #: MN.015.A
Type: Medical | **Sub-Type:** MN (Medical Policy)

Original Implementation Date: 12/1/2018
Version [A] Effective Date: 12/01/2018
Last Reviewed: 3/27/2019

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PRODUCT VARIATIONS

This policy applies to all Health Partners Plans product lines unless noted below.

POLICY STATEMENT

Health Partners Plans will reimburse the provider for a service, item, procedure or level of care included under the member’s benefit plan when the service, item, procedure or level of care (e.g., hospitalization, test, treatment, drug, durable medical equipment (DME) item or supply) has been determined to be medically necessary. Please see specifics for each product line.

Health Partners Plans will consider the following criteria to determine if a service, item, procedure or level of care is medically necessary:

- 1) Peer reviewed medical literature.
- 2) Medical opinions of professional providers in the generally recognized health specialty.
- 3) Guidelines, published by nationally recognized healthcare organizations that include supporting scientific data.
- 4) Professional medical standards of safety and efficacy, which are generally recognized in the United States for diagnosis, medical care or treatment.
- 5) HPP uses InterQual as our reliable, evidence-based clinical content that promotes consistent clinical decisions for appropriate, medically necessary care, services or items.
- 6) Upon request, Physicians can obtain a copy of the applicable InterQual criteria and/or HPP policies associated with our determination.

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Determining Compensability and Medical Necessity (by product lines):

Health Partners (Medicaid)

- **COMPENSABILITY:** A service or benefit is medically necessary if it is compensable under the MA program and if it meets any one of the following standards:
 - 1) The service, item, procedure or level of care will, or is reasonably expected to, prevent the onset of an illness, condition, injury or disability.
 - 2) The service, item, procedure or level of care will, or is reasonably expected to, reduce or ameliorate the physical, mental or developmental effects of an illness, condition, injury or disability.
 - 3) The service, item, procedure or level of care will assist the member or achieve or maintain maximum functional capacity of the member and those functional capacities that are appropriate for members of that age.

- **DETERMINATION OF MEDICAL NECESSITY:**
 - 1) Determination of medical necessity for covered care and services, whether made on a prior authorization, concurrent review, retrospective review or exception basis, must be documented in writing.
 - 2) The determination is based on medical information provided by the member, the member's family/caretaker, and the primary care physician (PCP), or any other providers, programs or agencies that have evaluated the member.
 - 3) All determinations must be made by a qualified and trained healthcare professional.

Health Partners Medicare

- **COMPENSABILITY:** A service or benefit is medically necessary if it is compensable under Medicare's program and it meets the following criteria:
 - 1) The services or supplies are determined to be proper and needed for the diagnosis or treatment of the medical condition, provided for the diagnosis, direct care, and treatment of the medical condition, meet the standards of good medical practice in the local area, and aren't mainly for the convenience of the beneficiary or the beneficiary's doctor.
 - 2) National and local coverage determinations are always considered during all types of medical necessity reviews for our Medicare members.

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- **DETERMINATION OF MEDICAL NECESSITY:**

- 1) Determination of medical necessity for covered care and services, whether made on a prior authorization, concurrent review, retrospective review or exception basis, must be documented in writing to members and providers.
- 2) The determination will be based on medical information provided by the member, the member's family/caretaker and the primary care physician (PCP), as well as any other providers, programs or agencies that have evaluated the member.
- 3) All such determinations must be made by a qualified and trained healthcare professional.

KidzPartners (CHIP)

- **COMPENSABILITY:** A service or benefit is medically necessary if it is compensable under CHIP's program and if it meets the following:

- 1) The service, item, procedure or level of care will, or is reasonably expected to, prevent the onset of an illness, condition, injury or disability.
- 2) The service, item, procedure or level of care will, or is reasonably expected to, reduce or ameliorate the physical, mental or developmental effects of an illness, condition, injury or disability.
- 3) The service, item, procedure or level of care will assist the member or achieve or maintain maximum functional capacity of the member and those functional capacities that are appropriate for members of that age.

- **DETERMINATION OF MEDICAL NECESSITY**

- 1) Determinations are based on covered services under a given benefit package, medical necessity and clinical appropriateness using clinical criteria and guidelines that are the accepted standard of care in the medical community. In addition, the physician reviewer must override the criteria when, in his/her professional judgment, the requested service is medically necessary. Individual member assessment must occur.
- 2) Determination of medical necessity for covered care and services, whether made on a prior authorization, concurrent review, retrospective review or exception basis, must be documented in writing to members and providers.
- 3) The determination is based on medical information provided by the member, the member's family/caretaker and the primary care physician (PCP), as well as any other providers, programs or agencies that have evaluated the member.

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- 4) All such determinations must be made by a qualified and trained healthcare professional. A healthcare professional that makes such determinations of medical necessity is not considered to be providing a healthcare service under their agreement.

POLICY GUIDELINES

In all cases, the appropriate documentation supporting medical necessity must be kept on file and, upon request, presented to Health Partners Plans.

The definition of medical necessity may vary by product due to state and federal regulatory requirements.

HPP uses InterQual as our reliable, evidence-based clinical content that promotes consistent clinical decisions for appropriate, medically necessary care, services or items.

Upon request, Physicians can request the following;

- 1) HPP uses InterQual as our reliable, evidence-based clinical content that promotes consistent clinical decisions for appropriate, medically necessary care, services or items.
- 2) Administrative Assistant (AA) will reach out to the clinician to obtain the decision criteria.
- 3) Clinician will access case requested and copy and paste the applicable criteria into a Word document from the InterQual tab in CCMS or, the Policy and Procedure or, the information from the member's benefit packet and send the information back to the Administrative Assistant (AA).
- 4) The AA will prepare a letter through the criteria Request Template to send to the requesting provider.
- 5) The AA will prepare the response via a letter within three (3) business days from the date of the initial receipt that includes:
 - Copy of the original letter
 - Completed request for Criteria Template
 - Copy of the decision criteria

CODING

The Current Procedural Terminology (CPT[®]), Healthcare Common Procedure Coding System (HCPCS), and the 10th revision of the International Statistical Classification of Diseases and Related Health Problems (ICD-10) codes that *may* be listed in this policy are for reference purposes only. Listing of a code in this policy does not imply that the service is covered and is not a guarantee of payment. Other policies and coverage guidelines may apply. When reporting services, providers/facilities should code to the highest level of specificity using the code that was in effect on the date the service was rendered. This list may not be all inclusive.

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CPT Code	Description
N/A	N/A
HCPCS Code	Description
N/A	N/A
ICD-10 Code	Description
N/A	N/A

CPT® is a registered trademark of the American Medical Association.

BENEFIT APPLICATION

Medical policies do not constitute a description of benefits. This medical necessity policy assists in the administration of the member’s benefits, which may vary by line of business. Applicable benefit documents govern which services/items are eligible for coverage, subject to benefit limits or excluded completely from coverage. This policy is invoked only when the requested service is an eligible benefit as defined in the member’s applicable benefit contract on the date the service was rendered. Services determined by HPP to be investigational or experimental, cosmetic or not medically necessary are excluded from coverage for all product lines.

DESCRIPTION OF SERVICES

N/A

CLINICAL EVIDENCE

N/A

DEFINITIONS

N/A

DISCLAIMER

Approval or denial of payment does not constitute medical advice and is neither intended to guide nor influence medical decision making.

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POLICY HISTORY

Summary	Version	Version Effective Date
This is a new policy.	A	12/1/2018

REFERENCES

- Centers for Medicare and Medicaid Services CMS.Gov Glossary
<https://www.cms.gov/apps/glossary/default.asp?Letter=M&Language=English>
- Medicare.com What Medically Necessary means and how it affects your Medicare coverage.
<https://medicare.com/resources/what-medically-necessary-means-and-how-it-affects-your-medicare-coverage/>
- The Pennsylvania Code Definitions: § 1101.21.
<https://www.pacode.com/secure/data/055/chapter1101/s1101.21.html>
- Pennsylvania Department of Human Services Health Choices Agreement
http://www.dhs.pa.gov/cs/groups/webcontent/documents/document/p_040149.pdf
- Social Security Act 1862 Exclusions from coverage and Medicare as secondary payor.
https://www.ssa.gov/OP_Home/ssact/title18/1862.htm
- U.S. Code, General Provisions, Chapter 7 42 U.S.C. § 1395
<https://www.law.cornell.edu/uscode/text/42/1395y>