

Children's Hospital and Health System Chorus Community Health Plans (CCHP) Policy and Procedure

This policy applies to the following entity(s):

- | | |
|--|---|
| <input type="checkbox"/> CHW – Milwaukee | <input type="checkbox"/> CHW - Fox Valley |
| <input type="checkbox"/> CHHS Foundation | <input type="checkbox"/> CHW - Surgicenter |
| <input type="checkbox"/> CHW – Community Services Division | <input checked="" type="checkbox"/> Chorus Community Health Plans |
| <input type="checkbox"/> Children's Medical Group - Primary Care | <input type="checkbox"/> Children's Specialty Group |
| <input type="checkbox"/> Children's Medical Group - Urgent Care | <input type="checkbox"/> CHHS Corporate Departments |

Medical Utilization Management Policy

SUBJECT: MEDICAL NECESSITY

INCLUDED PRODUCT(S):

Medicaid

BadgerCare Plus

Care4Kids Program

Individual and Family

Commercial

Marketplace

PURPOSE OR DESCRIPTION:

This policy outlines how CCHP determines a healthcare service or supply to be medically necessary. CCHP will authorize only services and supplies that are considered medically necessary.

Definition: "Medically necessary" is defined as "healthcare services or supplies needed to prevent, diagnose, or treat an illness, injury, condition, disease, or its symptoms and that meet accepted standards of medicine."¹

POLICY:

Effective: 4/17

Revised: 9/22

Last reviewed: 10/23

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Developed by: CCHP Medical Directors

1. For services or supplies which are included in the evidence-based guidelines of MCG, CCHP utilizes the guideline to determine when and if healthcare services or supplies are considered medically necessary.
 - a. For a healthcare service or supply that MCG has concluded there are clinical conditions that make it medically necessary, CCHP will apply the MCG criteria to determine if the requested service or supply is medically necessary.
 - b. For a healthcare service or supply that MCG has concluded there are currently no clinical indications for use, CCHP will consider that service or supply not medically necessary.
2. CCHP develops medical utilization management policies for specific services or supplies for any of the following conditions:
 - a. When a service or supply is commonly requested, but the MCG guidelines do not include an evidence-based review for the service or supply
 - b. When an existing MCG guideline requires modification of criteria to either more accurately reflect the local standard of practice within CCHP's provider network, or to best meet the needs of CCHP's membership
 - c. When a policy is needed to ensure compliance with local, state, or federal legislation regarding a service or supply
3. For a new healthcare service or supply, a current one with a new application or indication, or for any service or supply without an applicable MCG guideline or CCHP medical utilization management policy, CCHP will apply the above definition of medical necessity and consider any of the following questions which apply to the service or supply when determining whether it is medically necessary:
 - a. Is it consistent with the symptoms or diagnosis?
 - b. Is it provided according to generally accepted medical practice standards?
 - c. Is it only for custodial care?
 - d. Is it solely for the convenience of the practitioner or the covered member?
 - e. Is it an experimental or investigational treatment?
 - f. Is it provided in the most cost effective care facility or setting?
 - g. Does it not exceed the scope, duration, or intensity of the level of care needed to provide safe, adequate and appropriate diagnosis or treatment? and
 - h. When specifically applied to a hospital confinement, can the diagnosis and treatment of the medical symptoms or conditions not be safely provided in the outpatient setting?
4. For approval or denial of a healthcare service or supply which CCHP has determined requires authorization:
 - a. A utilization management nurse, pharmacist, or medical director can approve the authorization if he/she determines the service or supply is medically necessary, according to the appropriate MCG guideline or CCHP medical utilization management policy.
 - b. Only a CCHP medical director (licensed physician) or pharmacist can approve the authorization if he/she determines the service or supply is medically necessary according to the CCHP Medical Necessity Policy.
 - c. Only a CCHP medical director (licensed physician) can deny the authorization if he/she determines the request is not medically necessary, according to the appropriate MCG guideline, CCHP medical utilization management policy, or CCHP Medical Necessity Policy.

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REFERENCES

1. Definition of “Medically necessary” from Medicare online glossary:
www.medicare.gov/glossary/m.html

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