Medical Home Newsletter

Medical Necessity, part 2

Volume No. 2 http://medhome.med.utah.edu Date: April 2003

Welcome

The purpose of this publication is to support health care providers in the establishment and maintenance of Medical Homes for their pediatric patients by providing tools and information for use in their practices.

To offer comments, ideas for future newsletters, or to sign up for email delivery contact the Project Coordinator, Russ Labrum, R.N., at medhome@utah.gov.

Copies of newsletters may be found on the Utah Medical Home web portal: http://medhome.med.utah.edu/

Letters of Medical Necessity

Letters of Medical Necessity are usually required for unusual and/or expensive treatments, devices, medications, or services. Generally, the patient/family or supplier will notify the physician of the need for such a letter. See the September issue for details on the definition of medical necessity and what to include in the letter http://www.medicalhomeportal.org/link/2787 We will summarize these points below.

To be most effective, letters of medical necessity should include information specific to the patient and the treatment or device being requested. This may be provided:

- through a detailed physician letter or
- in supporting documentation from a specialist.

Essential information to include:

- Address of Insurance Company (or other funding entity – include name of appropriate individual if known)
- Child's Name
- Age and Birthdate
- Contract or insurance ID number (if available)
- Child's Diagnosis
- Prognosis
- Date of last visit
- Relevant Treatment/Equipment History
- Current Treatment/Equipment
- Specifics of needed treatment/equipment (again, this may be included in a letter from the specialist, e.g. physical therapist)
- Goal of Treatment/Equipment
- Summary paragraph
- Your signature, title, address, and contact information (phone / fax / email)

Questions to Answer

- If the patient already has similar equipment or is getting similar treatments, how has the diagnosis or condition changed to necessitate the new or revised request?
- How will the requested treatment or equipment allow the client to be more independent or functional?
- Why does the current treatment or equipment not meet the child's needs? Is it broken? Has the child outgrown it?
- If requesting repair or modification of existing equipment or treatment, why is this preferable to getting new equipment/treatment?
- If requesting new or replacement equipment/treatment, why is this preferable to repair or modification of existing equipment/treatment.
- Will requested treatment or equipment prevent further injury or other disabilities?

Examples of Medical Necessity Letters

The following are offered as examples of how letters should or should not be written:

To Whom It May Concern:

John Jay is an 8-year-old child with CP. I am his primary care pediatrician and I saw him last week. His mother feels that he would benefit from having a "Cheap Talk" device. I would like to request funding for this piece of equipment. Because John has severe impairments, he needs this device to talk to other kids at school and is not able to use sign language. I feel that it would help this little boy who cannot effectively communicate any other way and it would certainly help his family.

Thank you for your consideration in this matter.

This letter is not effective for a number of reasons.

- ❖ It does not provide identifying information, diagnosis, and contact information.
- ❖ It lacks objective information or testing related to the device.
- ❖ Usually, DME is approved for medical need and not for "social" reasons.
- ❖ DME is purchased only for the patient's medical need, rather than for the convenience of the family.

October, 2003

Re: Curious George, b.d. – 2/2/200_
Medicaid/Insurance # 333333333

Curious George is an eight-month-old male for whom I serve as primary care physician. He was born at 37 weeks gestation and has Down Syndrome and an unbalanced AV canal that was the primary reason for a prolonged stay in the newborn ICU. He has had pulmonary artery banding to minimize his risk for pulmonary hypertension, but he remains cyanotic with peripheral saturations in the 84 range. He will be having a bi-ventricular repair next spring. He has not had significant pulmonary disease but remains at high risk for complications of pulmonary infections both because of his heart disease and his Down syndrome. I have discussed his situation with his pediatric cardiologist, Dr. Tetra Fallot (see accompanying letter), and we agree that Synagis (palivizumab) prophylaxis is medically necessary for Curious during this coming RSV season.

As you know, the American Academy of Pediatrics did not recommend Synagis for children with congenital heart disease in their 1998 Policy Statement, but no contraindications exist for its use. Subsequent studies have confirmed the high risk of RSV to children with congenital heart disease in the first year of life (see references below). I feel that the benefit of preventing or reducing the severity of RSV disease in Curious far outweighs the minimal risks of the therapy. I also feel that, should he get RSV this season, the value of avoiding certain hospitalization and a possible need for intubation and ventilaion far outweighs the cost of the treatment. Please provide the family and me with your authorization for Synagis therapy as soon as possible. We will begin treatment when the infectious disease experts at Primary Children's have determined the season to be upon us.

Please don't hesitate to call me for any further information. You may reach me at 801-555-6666. Thank you for your consideration.

Respir Med. 2002: 96 Suppl B: S9-14
J Pediatr. 2002: 137: 865-70

This is an effective letter:

- ❖ It has good identifying information.
- ❖ It has a good description of the medical condition and describes what will happen without the therapy.
- ❖ It discusses the prevention of further disability and prevents increased medical costs.
- ❖ It references current practice literature.

Re: Alex Apraxia
Medicaid or Insurance # 222222222

Dear Sir or Madam,

As a pediatrician in private practice in Salt Lake City, I have been involved in the care of Alex Apraxia since his birth October 9, 1994. He has a diagnosis of spastic diplegic cerebral palsy with associated oral/verbal apraxia.

I saw him most recently for a developmental check-up on September 15, 2000. At that time, his mother expressed concern regarding his inability to speak, in spite of many years of speech therapy. This deficit is further documented in the communication evaluation from the therapy team at Shriners Hospital. The team also makes specific recommendations for an augmentation device. I have reviewed this and I concur with their recommendations. Alex has used this device during therapy for the last three months and it has been shown to be effective (see speech therapy notes, attached.)

I prescribe a Dynamo communication device to act as a speech prosthesis for this child's malfunctioning speech mechanism. Over the past 6 months that Alex has had four bouts of strep throat, and was only diagnosed when he went to the emergency room. I find this device to be medically necessary, to improve Alex's early communication about illness or pain. Without this device, he will continue to require delayed medical treatment with increased medical costs.

It is stated in Alex's insurance contract that medically necessary treatments for the diagnosis of congenital heart disease are covered by his policy, thus I anticipate approval of this medically necessary treatment. Thank you for your assistance with the care of this fine young boy. Please feel free to contact me at _____ if you have any questions or concerns.

This letter is effective:

- ❖ This letter is complete in identifying information, diagnosis, and information about how to contact the therapist.
- ❖ [For Medicaid], an augmentative device must have been tried and shown to be effective by the patient's speech therapist, prior to a request to purchase.
- ❖ [For private insurance] it documents the insured's contract coverage of the condition.
- ❖ Good documentation of MEDICAL need.

Denial: The Appeal Process

When considering whether to appeal a denial for assistive technology, answer the following questions.

- Is the child or family's health care coverage still in effect (include policy number)?
- Has the medical necessity of the requested treatment or equipment been appropriately and fully documented?
- Is the requested treatment or equipment a covered benefit under the insurance contract?
- Does a specific exclusion exist for the requested treatment or equipment?

You will need the following documentation and support for an appeal.

- A copy of the original denial letter.
- A copy of YOUR prescription for the treatment or equipment and a commitment to assist in the appeals process.
- A copy of the evaluation from the therapist/s or other specialist and a commitment to assist in the appeals process.
- If it is a private insurance claim, have the parents contact their insurance representative to clarify coverage and benefits as well as the appeals process.

Appeal Rights Under the Medicaid Program

Any individual enrolled in the state Medicaid program, "whose claim for medical assistance is denied, not acted upon with reasonable promptness, or that he or she believes has taken an action erroneously has the right to request a hearing before the state agency."

All letters of denial from Medicaid will contain information such as:

1) Reason for the denial.
2) An itemized list of the criteria not met.
3) An explanation of the appeal process. ("You may bring a lawyer…")

The letter also includes criteria outlining state and federal laws and identifies the state agency that is responsible for adjudication of the appeal.

Appeals can often be favorably settled; it is recommended to appeal any denials.

A pre-hearing phone conference is often set up to address issues such as the need for additional information or clarification. Depending on the reason for the denial and the claimant's ability to provide information, clarification or documentation, a favorable decision can be reached during the pre-hearing conference. Generally appeals are heard within 30 days of the denial. For more information about the appeal process or client rights under the Medicaid program visit: http://www.health.ut.gov/medicaid

For More Information

More information about topics contained in this newsletter is available from: "Accessing AT Through the Health Care System in Utah". Obtain free copies from Utah Assistive Tech Program 435-797-3824 or on the website: http://www.uatpat.org/advocacy/

Next issue –

Recreation Resources for CSHCN

This Project is supported by:

Maternal and Child Health Bureau
Bureau of Children with Special Health Care Needs
Department of Pediatrics, University of Utah
Utah Family Voices
Primary Children's Foundation
Intermountain Pediatric Society/Utah Chapter AAP

Utah Collaborative Medical Home Project