MEDICAID SERVICES MANUAL
TRANSMITTAL LETTER

July 26, 2018

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: LYNNE FOSTER, CHIEF OF DIVISION COMPLIANCE

SUBJECT: MEDICAID SERVICES MANUAL CHANGES
CHAPTER 300 – RADIOLOGY SERVICES

BACKGROUND AND EXPLANATION

Revisions to Medicaid Services Manual (MSM) Chapter 300 – Radiology Services, Section 303.1A are proposed to clarify coverage guidelines regarding prior authorization requirements for medically necessary Magnetic Resonance Imaging (MRI), Magnetic Resonance Angiography (MRA), Magnetic Resonance Spectroscopy (MRS) and Positron Emission Tomography (PET) scans.

Entities Financially Affected: Outpatient Hospitals (Provider Type (PT) 12), Physician, M.D., Osteopath (PT 20), Advanced Practice Registered Nurse (PT 24), Radiology (PT 27) and Physician Assistant (PT 77).

Financial Impact on Local Government: Overall impact will be budget neutral.

These changes are effective August 1, 2018.

MATERIAL TRANSMITTED	MATERIAL SUPERSEDED
CL Chapter 300 – Radiology Services	MTL 02/11 Chapter 300 – Radiology Services

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
303.1A 5	**Coverage and Limitations**	Added prior authorization requirements for medically necessary MRI, MRA, MRS and PET scans.

303 MEDICAID POLICY

303.1 RADIOLOGICAL STUDIES

The Division of Health Care Financing and Policy (DHCFP) medical assistance programs will reimburse for those covered services that are considered to be medically necessary for the diagnosis and treatment of a specific illness, symptom, complaint, or injury or to improve the functioning of a malformed body part without prior payment authorization. The investigational use for any radiological test is not a Medicaid covered benefit

303.1A COVERAGE AND LIMITATIONS

1. A licensed physician or other licensed persons working within the scope of their practice must request radiology services (e.g., Advanced Nurse Practitioner, Physician's Assistant, Podiatrist, etc.).

2. Payment for X-rays and other radiological examinations will only be allowed for those services that are considered to be reasonable and necessary for the diagnosis and treatment of a specific illness, symptom, complaint, or injury or to improve the functioning of a malformed body part.

3. An annual screening mammography is a covered benefit without prior authorization for women age 40 and older and/or a woman between the ages of 35-39, considered a high risk for breast cancer. High risk is defined as one or more of the following conditions:

   a. Personal history of breast cancer;

   b. Personal history of biopsy – proven beginning breast disease;

   c. A mother, sister or daughter had breast cancer; and/or

   d. A woman who has not given birth prior to age 30.

4. Diagnostic and/or treatment mammography's are not restricted to age or sex and do not require prior authorization.

5. The choice of the appropriate imaging modality or combination of imaging modalities should be determined on an individual level. Prior authorization ~~will not be~~ is required for medically necessary Magnetic Resonance Imaging (MRI), Magnetic Resonance Angiography (MRA), Magnetic Resonance Spectroscopy (MRS), or Positron Emission Tomography (PET) scans, and the determination of medical necessity is based on nationally recognized evidenced based clinical guidelines. Examples include, but are not limited to: MCG/McKensson/Interqual Criteria. All clinical information supporting the medical

necessity for the imaging modality requested should be provided at the time of the request. Always use other modalities or less expensive tests such as CT, ultrasound or standard X-ray, etc., when they will achieve the required results. Use of approved modalities for investigational/experimental reasons are not a Medicaid benefit.

Prior authorization will not be required for initial testing and tumor staging. Other repeated testing will require prior authorization.

6. The DHCFP medical assistance programs cover certain types of X-rays and cover skeletal films for arms, legs, pelvis, vertebral column, skull, chest and abdominal films that do not involve the contrast material and electro cardiograms furnished by a portable x-ray supplier in a residence used as a recipient's home. These services must be performed under the general supervision of a physician. All licensing conditions and health and safety conditions must be met. Coverage of portable services are defined in 42 Code of Federal Regulation (CFR) 486.

7. Documentation must be available in the clinical record to support the reasonable and necessary indications for all testing.

8. The following exception requires prior authorization:

   All non-emergency services referred and/or provided out-of-state.

9. See Billing Manual for Diagnostic Test prior authorization schedule.

303.1B PROVIDER RESPONSIBILITY

Providers are responsible for the following:

1. Verify program eligibility each month (e.g., Qualified Medicaid Beneficiary (QMB), Managed Care Organization (MCO), etc.) and comply with the program requirements. Example: A QMB only recipient never requires a Medicaid payment authorization.

2. The provider must allow, upon the request of proper representatives of the DHCFP, access to all records which pertain to Medicaid or Children's Health Insurance Program (CHIP) recipients for regular review, audit, or utilization review.

3. Evidence to support medical necessity for the procedures must be clearly documented in the clinical record. Duplicative testing when previous results are still pertinent is not a covered benefit.

4. The ordering physician is responsible for forwarding appropriate clinical data to the diagnostic facility.