

SECTION 5

Medical Services

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MercyCare Health Plans Quality Health Management Team

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Quality Health Management Overview

The Quality Health Management Team is responsible for the day to day functions that pertain to:

- Pre-Certification
- Concurrent Review
- Out-of-Plan Referral Review
- Individual Case Management
- Drug Formulary Management
- Ambulatory Surgery
- Clinical Practice Guidelines

MercyCare's Utilization Team bases its decision-making only on appropriateness of care and service. We do not specifically reward, financially or otherwise, practitioners or other individuals conducting utilization review for issuing denials of coverage or service or encourage underutilization of your medical services.

Evaluation of Utilization Management Program:

The Utilization Management Program shall be reviewed and evaluated annually and shall include a review of delegated Utilization Management functions. This review shall be conducted by the MCHP Medical Director and shall include feedback from providers, Physician Advisors and the Quality Health Management Team.

The goals of the MercyCare Health Plans's (MCHP) Utilization Management Program are:

- To assure that health care services are accessible and appropriate to enrollee needs.
- To assure the provision of quality medical care to enrollees and their families.
- To identify deficiencies in the care process and strive to improve care through education of network providers.

Components of the Utilization Management Program

The MCHP Utilization Management Committee has adopted the McKesson Interqual[®] Level of Care Criteria for inpatient review and selected procedure components of our Medical Management Program. You may review these guidelines upon request. The components of the utilization management process for admissions, concurrent and medical review are as follows:

- Pre-Certification

Pre-Certification is a program for prior authorizing procedures and/or hospital admissions.

In addition to **All** scheduled inpatient admissions, select outpatient procedures must be pre-certified prior to providing the service.

A list of outpatient procedures by CPT codes that require pre-certification are located at the end of this section.

- Concurrent Review

The MCHP Quality Health Management Team has a process for reviewing the appropriateness of admissions and continued utilization review of inpatient services.

- * On-site review is conducted at Mercy Hospital.
- * Telephonic review is performed for admissions to other network hospitals and for out-of-plan inpatient admissions.
- * McKesson Interqual[®] Level of Care criteria is used during concurrent review to provide criteria for continued inpatient days and as a criteria indicator for alternative levels of care.
- * Length of Stay guidelines suggest a target length of stay for each condition/procedure including a list of procedures performed on an outpatient only basis. Elective admissions are assigned an expected length of stay.
- * Alternative Setting Criteria are used at both pre-certification and discharge planning to provide criteria for the appropriate use of alternative healthcare settings.

Our care management staff is available to work with you in arranging alternative setting care and can be reached Monday through Friday 8:00 – 4:30 at 800/752-3431.

- Out-of-Plan Referral Review

Prompt consideration will be given to referrals for services unavailable within the MercyCare Network of Providers. Referrals are not required to access physicians within the member's provider network. All out-of-plan referrals must be approved by MCHP prior to the service being provided.

The following procedure is to be followed when requesting out-of-plan services:

1. Complete the MCHP out-of-plan referral form.
2. Please fax referral form and all supporting documents to the MCHP office at 608-758-7726. (complete documentation such as consult notes and additional supporting information will expedite the form through the Quality Health Management Team).
3. The patient and the physician will be notified in writing of the determination for benefits and services.
4. It will be the patient's responsibility to notify MCHP with the confirmation of the appointment date and physician they have been approved to see.
5. If assistance is needed to complete the form, or if there are questions, please contact the MCHP Quality Health Management Team by calling 800-752-3431.

When completing the referral form, it is imperative to include the medical reason for the referral.

Please Note if services are available in plan, the member will be redirected to a participating provider.

Referral forms may be obtained by contacting the MCHP Provider Relations Representatives at 800-752-3431.

Out-of-Plan Referral Form located at the end of this section.

MercyCare cannot guarantee coverage on Retroactive referrals

- Case Management

The MercyCare Certificate of Coverage lists Case Management/Alternative Treatment under the General Provisions. The provision states, "Case management is a program the Plan offers to members. The Plan employs a professional staff to provide case management services. As part of this case management, the Plan reserves the right to direct treatment to the most effective option available."

MercyCare's Case Management Program helps members with potentially high-cost, complex, long-term medical conditions, or specific conditions to manage their health care benefits and promote quality cost-effective outcomes. MercyCare's Case Manager follows the Case Management Society of America Standards of Practice for Case Management. This includes assessment, planning, implementation, coordination, monitoring and evaluation to develop and execute an individual's comprehensive case management plan.

A team approach, with the case manager, physician, other health care providers, patient and family, is used to develop and implement the individual case management plan. Programs we have developed include:

- 1. Catastrophic / Complex Case Management Program**

The case management plan sets goals that are appropriate and agreed to by the team. The case manager will assist with maximizing benefits, assisting with exploring other funding options, and finding community resources that are available to implement the plan.

- 2. Transplants under United Resource Networks (URN) contract**

The case manager assists facilitating the referral review for benefits and directing the member to a contracted and credentialed Center of Excellence for that specific transplant. Besides medical benefits, many of our contracted global packages include non-medical benefits for the member and family.

- 3. OB Case Management Program**

The case management plan helps to maximize benefits, support the physician and identify high-risk conditions. The case manager focuses on improving clinical outcomes and reducing financial costs.

- 4. High Risk Neonatal Case Management Program**

The Internal Nurse Case Manager identifies high-risk fetus or infants. Services include providing education to the parents so they may better understand their infant's condition and care to be ready for the transition to home.

5. Diabetic Health Case Management Program (DHCMP)

- A. Diabetic members are identified based on physician encounter, lab and pharmacy data.
- B. The DHCMP identifies diabetic members that are at increased risk for complication, i.e. members that have a HgbA1c \geq 9.0. Members in case management are called at least quarterly by a RN who is a Certified Case Manager (or under the direct supervision of a Certified Case Manager). The case manager helps to maximize benefits support the physician and educate the member about their disease process.
- C. Targeted mailings are sent out for those diabetic members who are not getting their routine testing done as recommended by the Essential Diabetes Mellitus Care Guidelines.

6. Asthma

Members are identified by an ER visit and/or the lack of appropriate inhaled corticosteroid usage. Case management activities center around member education, referral, and care coordination with physician. The RN Case Manager is supervised by a certified case manager if not also a certified case manager.

7. Antibiotic Resistance

Member and physician education programs to reduce inappropriate antibiotic usage and increase appropriate choice of antibiotic therapy.

8. Hyperlipidemia Program

Member case management to reduce coronary risk factors, improve compliance with cholesterol lowering treatment, and increase effectiveness of lipid lowering therapy. Physician education program which entails critical components of the NCEP guidelines.

9. Smoking Cessation

Member education program which follows the June 2000 JAMA Smoking Cessation Guideline and critical components include smoking/relapse assessment, smoking cessation programs and support groups, and cost effective pharmacotherapy treatment. Physician education programs for member identification, cost effective pharmacotherapies, available resources for smoking cessation classes and statewide resources to assist members with smoking cessation process.

Please call us to discuss patients that may benefit from one of our case management programs.

- Drug Formulary Management

Please refer to Pharmacy under Section 8

- Ambulatory Surgery List

Please review the Outpatient Ambulatory Surgery list in Section 12 and understand that MCHP will only pay when these procedures are performed on an outpatient basis.

- Clinical Practice Guidelines

MCHP Quality Medical Committee has adopted practice guidelines and is continuing to develop additional practice guidelines. Please see section 12 for these guidelines.

Authority and Responsibility

Authority for Utilization Management Decisions: Criteria exist which may allow a Utilization Management nurse to approve a treatment, provider or location of treatment. The ultimate authority, however, for any denial for medical necessity of a request lies with the MCHP Medical Director, Behavioral Health Medical Director, or a designated Physician Advisor. Dr. Philip Bedrossian, MCHP Medical Director, may be contacted at 1-800-752-3431 ext. 3044.

The attending physician has the ultimate authority for the medical care of the patient. If there is disagreement regarding the appropriate intensity or location of care, the attending physician shall be allowed to care for the immediate needs of the patient so as to never jeopardize the patient's well being.

A Retrospective review may occur, and if a disagreement between the adopted criteria and actual care is apparent, the physician will be contacted by the MCHP Medical Director, Behavioral Health Medical Director, or a designated Physician Advisor.

Criteria used for Utilization Management Decisions: These criteria are of two types:

1. **Externally Developed Criteria** - Nationally recognized review criteria developed by McKesson Interqual[®] Level of Care and other organizations, are used to guide nurses in approving care. All such sources must be reviewed and approved annually by the MCHP QUM Committee.
2. **Internally Developed Criteria** - The Quality Health Management Team of MCHP may, from time to time, develop standards for medical appropriateness. These criteria will be developed in cooperation with network physicians with clinical expertise in the area of the criteria being developed. These criteria will also be reviewed and approved by the MCHP QUM Committee.

Determination of Medical Necessity: Medically necessary means a service, treatment, procedure, equipment, drug, device, or supply provided by a hospital, physician, or other provider of health care that is required to identify or treat a member's bodily injury or sickness and which is determined by MercyCare to be:

1. Consistent with the symptom(s) or diagnosis and treatment of the member's bodily injury or sickness;
2. Appropriate under the standards or acceptable medical practice to treat that bodily injury or sickness;
3. Not solely for the convenience of the member, physician, hospital or other provider of health care;
4. The most appropriate service, treatment, procedure, equipment, drug, device or supply which can be safely provided to the member; and
5. The most economical manner of accomplishing the desired end result.

Quality Health Management Program

While the physician remains solely responsible for the provision of quality care to his/her patients, the MCHP UM Committee has adopted the following policies to ensure a cooperative working relationship:

1. Physician Consultant Policy
2. Provider Appeal Policy for Medical Necessity Denials

Physician Consultant

In cases where the clinical judgement needed for UM decisions is sufficiently specialized, MCHP will use board certified experts of similar specialty. The MCHP Physician Consultant Policy is outlined below:

PURPOSE:

To establish a framework for a physician consultation when a denial is pending for a medical/surgical/behavioral health admission, procedure or continued stays/treatment.

PROCESS:

Philosophy of Process

The role of the Medical Directors and Physician Consultants is to review the appropriateness of admissions and the need for continued treatment, as well as the quality of care being delivered when the course of treatment is not clearly in compliance with either internally or externally developed criteria.

Provider Appeal Process for Denials Based on Medical Necessity

MercyCare Health Plans (MCHP) is accountable for its Utilization Management (UM) decisions. When MCHP denies coverage of a service, accountability requires that it clearly explain the reasons for the denial to the member as well as to the practitioner. This ensures that both the practitioner and the member receive sufficient information to understand the determination and to make informed decisions to appeal or accept a MCHP determination.

By including information on how to initiate an appeal in its letters, MCHP hopes to ensure the practitioner understands their appeal rights and demonstrates its commitment to a fair and thorough process of making utilization decisions. To ensure fair decision making, MCHP gives practitioners the opportunity to discuss decisions that are based on medical necessity with the MCHP Medical Director, Behavioral Health Medical Director, or designated Physician Advisor.

PURPOSE:

To provide a mechanism by which a network practitioner may appeal an adverse decision based on medical necessity.

POLICY STATEMENT:

Any disagreement between the attending physician and the Health Plan will not affect immediate patient care issues.

No adverse decision will be made without the attending practitioner's knowledge. He/She will be given every opportunity to provide additional information to support his/her actions.

PROCESS:

If you wish to appeal a denial based on medical necessity, you may do one of the following:

- ◆ You may submit your appeal request in writing to your provider relations representative who will then forward it to MCHP's Medical Director or Behavioral Health Medical Director on your behalf.

◆

OR

- ◆ You may submit your appeal in writing directly to MCHP's Medical Director or Behavioral Health Medical Director.

If the adverse decision is upheld, the practitioner will be notified in writing of the decision and of their further right of appeal.

23-Hour Observation

A patient registered for services furnished on a hospital's premise, including use of a bed and monitoring by nursing or other staff, which are reasonable and necessary to evaluate an outpatient's condition or determine the need for possible admission to the hospital, as an inpatient. Observation status will be no more than 23 hours 59 minutes. Observation services will not be substitute services for medically appropriate inpatient admissions. Guidelines for appropriate use are as follows:

- Rule out and symptomatic admissions
- Cases likely to respond quickly to care
- Extended Post-operative recovery on Ambulatory Surgery cases where the patient requires specific medical care beyond that usually associated with the surgery. The medical necessity must be specified through documentation.

Observation services may **not** be used for:

- Patient holding because of social factors
- Physician convenience for testing or examination
- Routine preparation and recover for diagnostic testing
- Substitute for appropriate inpatient admission
- Routine outpatient blood transfusions

Use Place of Service 22 when billing for services rendered in observation. Use the observation CPT codes as appropriate (99218-99220). Discharge Day (99217) may be billed if discharge occurs the day after admission.

23-hour observation services are reviewed for the appropriate use of hospital services.



MercyCare Health Plans Products - Hospitals

7/17/2003

HMO (W1)	Participating Hospitals	Non-Participating Hospitals	
Requires Par MD	Mercy Hospital	Facilities outside of network	
	Ft. Atkinson Hospital	Lakeland w/ Non-Par MD	
	Watertown Hospital		
	Lakeland w/ Par MD		
	Edgerton Memorial Community		
	Harvard Memorial Hospital		
Select (W2)	Level 1 Hospitals	Level 2 Hospitals	Level 3 Hospitals
	Mercy Hospital	Facilities outside of network w/ prior authorization or admitted through the ER	Facilities not prior authorized
	Ft. Atkinson Hospital		
	Watertown Hospital		
	Lakeland w/ Par MD		
	Edgerton Memorial Community		
	Harvard Memorial Hospital		
MVP (W6)	Participating Hospitals	Non-Participating Hospitals	
Requires Par MD	Mercy Hospital	Ft. Atkinson Hospital	
	Lakeland w/ Par MD	Watertown Hospital	
		Edgerton Memorial Community	
		Lakeland w/ Non-Par MD	
		All other facilities	
MercyCare EPO (W3)	Participating Hospitals	Non-Participating Hospitals	
	Mercy Hospital	All other facilities	
MercyCare Plus WI (W4)	Level 1 Hospitals	Level 2 Hospitals	Level 3 Hospitals
	Mercy Hospital	Ft. Atkinson Hospital	All other facilities
	Mercy Harvard Hospital - no ICU or delivery	Edgerton Memorial Community	
		Watertown Hospital	
		Lakeland	
MercyCare Plus IL (W5/I5)	Level 1 Hospitals	Level 2 Hospitals	Level 3 Hospitals
	Mercy Hospital in WI	Beechstreet Facilities - except WI	All other facilities
	Mercy Harvard Hospital - no ICU or delivery		
	Centegra-Memorial Hospital		
	Centegra-Northern IL Med Ctr		
	Good Shepherd Hospital		



MercyCare Health Plans Products - Physicians

7/17/2003

HMO (W1)	Participating Physicians	Non-Participating Physicians	
	See provider directory	Physicians not listed in the provider directory	
Select (W2)	Level 1 Physicians	Level 2 Physicians	Level 3 Physicians
	See provider directory	Physicians not listed in the provider directory	Pre-certed procedures out of network not prior authorized
MVP (W6)	Participating Physicians	Non-Participating Physicians	
	See MVP provider directory and commercial directory	Physicians not listed in either directory	
MercyCare EPO (W3)	Participating Physicians	Non-Participating Physicians	
	Red-shaded providers in the provider directory	All other physicians	
MercyCare Plus WI (W4)	Level 1 Physicians	Level 2 Physicians	Level 3 Physicians
	Red-shaded providers in the provider directory	All other physicians listed in the provider directory	Physicians not listed in the provider directory
MercyCare Plus IL (W5/I5)	Level 1 Physicians	Level 2 Physicians	Level 3 Physicians
	See IL provider directory	Beechstreet - except WI	All other physicians

MERCYCARE HEALTH PLANS

MercyCare HMO & SELECT

PRE-CERTIFICATION PROCEDURE LIST

To pre-certify these procedures and ALL inpatient admissions, call 800-757-6825

DESCRIPTION	CPT CODES
Abortion	59840, 59841, 59850-59852, 59855-59857
Adenoidectomy	42830, 42831, 42835, 42836
copy of the knee, surgical	29874-29889, 29871
Bunionectomy, with/without osteotomy	28290, 28292-28294, 28296-28299
Cardiac Catheterization	93501, 93510, 93511, 93514, 93524-93533
Carpal Tunnel Release	64721, 29848
Cesarean Section, Repeat, Planned	59510, 59514, 59515
Cholecystectomy, with/without bile duct exploration	47600-47620, 56340-56341, 56342, 47563
Circumcision	54161
Colonoscopy	45378-45385
Coronary Angiography	93545
Coronary Bypass Procedure	33510-33514, 33516-33519, 33521-33523, 33530, 33533-33536
Coronary Transluminal Angioplasty	92982, 92984
Dilation and Curettage	57820, 58120, 59840, 59851, 59160, 59856, 59820
Esophagogastroduodenoscopy	43200, 43202, 43204, 43205, 43215-43220, 43226-43228, 43234, 43235, 43239, 43241, 43243-43251, 43255, 43258, 43259
ERCP	43260-43269, 43271, 43272
Hip Arthroplasty, Total	27130, 27132, 27134, 27137, 27138
Hysterectomy, Abdominal	58150-58240, 58951
Hysterectomy, Vaginal	58260, 58262, 58263, 58267, 58270, 58275, 58280, 58285, 56308
Knee Arthroplasty, Total	27447, 27487
Oophorectomy	58940, 56307
Salpingectomy	58700
Salpingo-oophorectomy	58720, 56307
Septoplasty	30520
Tonsillectomy	42820, 42821, 42825, 42826
Tympanostomy Tube Insertion (BMT)	69433, 69436
Varicose Vein Excision and Ligation	37700-37785-50

Plastic or cosmetic surgery which is undertaken solely to improve the member's appearance and which is not medically necessary for the correction of a functional defect caused by a bodily injury or sickness is not a covered benefit. Psychological reasons do not represent a medical/surgical necessity. If you feel your patient requires plastic or cosmetic surgery that is medically necessary, please provide a letter of explanation and any supporting medical documentation for consideration to the MCHP Quality Health Management Department.

MERCY HEALTH SYSTEM INSURANCE

MercyCare MVP (Medicaid)

PRE-CERTIFICATION PROCEDURE LIST

To pre-certify these procedures and ALL inpatient admissions, call 800-757-6825

DESCRIPTION	CPT CODES	ALSO NEED SIGNED CONSENT
Abortion	59840, 59841, 59850-59852, 59855-59857	X
Adenoidectomy	42830, 42831, 42835, 42836	
Arthroscopy of the knee, surgical	29874-29889, 29871	
Bunionectomy, with/without osteotomy	28290, 28292-28294, 28296-28299	
Cardiac Catheterization	93501, 93510, 93511, 93514, 93524-93533	
Carpal Tunnel Release	64721, 29848	
Cesarean Section, Repeat, Planned	59510, 59514, 59515	
Cholecystectomy, with/without bile duct exploration	47600-47620, 56340-56341, 56342, 47563	
Circumcision	54161	
Colonoscopy	45378-45385	
Coronary Angiography	93545	
Coronary Bypass Procedure	33510-33514, 33516-33519, 33521-33523, 33530, 33533-33536	
Coronary Transluminal Angioplasty	92982, 92984	
Dilation and Curettage	57820, 58120, 59840, 59851, 59160, 59856, 59820	
Esophagogastroduodenoscopy	43200, 43202, 43204, 43205, 43215-43220, 43226-43228, 43234, 43235, 43239, 43241, 43243-43251, 43255, 43258, 43259	
ERCP	43260-43269, 43271, 43272	
Gastric Surgery for Morbid Obesity	43842, 43843, 43846, 43847, 43848	
Hip Arthroplasty, Total	27130, 27132, 27134, 27137, 27138	
Hysterectomy, Abdominal	58150-58240, 58951	X
Hysterectomy, Vaginal	58260, 58262, 58263, 58267, 58270, 58275, 58280, 58285, 56308	X
Hysterectomy, subtotal/total after C-section	59525	X
Knee Arthroplasty, Total	27447, 27487	X
Laparoscopy, surgical with fulgeration of oviducts	56301	X
Laparoscopy, surgical with occlusion of oviducts by device	56302	X
Ligation (percutaneous) of vas deferens	55450	X
Ligation or transection of fallopian tube(s) uni- or bi-lateral	58600	X
Ligation or transection of fallopian tube, post partum	58605	X
Ligation or transection of fallopian tube, C-section time	58611	X
Occlusion of fallopian tube(s) by device, eg. Band, clipping	58615	X
Oophorectomy	58940, 56307	
Orchiectomy	54520	X
Salpingectomy	58700	X
Salpingo-oophorectomy	58720, 56307	X
Septoplasty	30520	
Tonsillectomy	42820, 42821, 42825, 42826	
Tympanostomy Tube Insertion (BMT)	69433, 69436	
Varicose Vein Excision and Ligation	37700-37785-50	
Vasectomy, unilateral or bilateral	55250	X

