

December 15, 2009

Montana Healthcare Programs Notice

Licensed Mental Health Centers, Therapeutic Group Homes, Psychiatric Residential Treatment Facilities, Inpatient Psychiatric Hospitals, Partial Hospital Programs, Intensive Outpatient Providers, Therapeutic Foster/Family Care Providers

Clarification of Prior Authorization Policy and Procedure

The Department is clarifying the language it will use when a request for prior authorization results in an adverse action and is denied by its Utilization Review (UR) contractor, First Health Services.

First Health Services will either authorize covered days as requested, or **deny** the request for authorization. For specific reasons, sometimes a denied request will include a specific number of authorized days. When authorization is denied, both the provider and the client have the right to appeal the denial if either party disagrees with the determination, as specified in Administrative Rules of Montana (ARM) sections 37.5.310 (in effect since 6/30/2000) and 37.87.2103 (in effect since 9/12/2008).

If the denial is not appealed through First Health, additional covered days are ONLY available if the provider or the client submits a new initial request for authorization based on a new change in the client's clinical presentation supporting the medical necessity of the request. If, after the appeal, the denial is upheld, the provider or client may submit a new initial request only for additional covered days based on the same criteria stated above.

Procedure

1. Use of the term "partial certification" as a response to either an initial prior authorization request or to a continued stay request will be discontinued. Instead, First Health's response will be one of the following:
 - Authorized as requested;
 - Denied with less than requested days;
 - Denied;
 - Denied with additional days to complete discharge plan.
2. An initial prior authorization may be *denied with less than requested days* if the physician reviewer believes the person needs to be admitted to the facility but not for the full initial period requested.

3. The denial of the full request can be appealed within 30 days of the notification, or before the end of the authorized days, whichever comes first. If the appellate physician upholds the denial, a new initial request must be initiated to request additional covered days when there is new clinical information to support it.
4. When a request for continued stay is denied, *with or without additional days for discharge*, the provider and/or client can appeal the denial within 30 days of the receipt of the denial letter, based on *previously undocumented, additional, or new clinical information*. If the last covered day occurs AFTER the denial is appealed, the provider is at risk for noncoverage of those days.
5. When a request for continued stay is denied, the denial can be appealed to the appellate physician with a request for either a desk or peer-to-peer review. After the review, the First Health appellate physician will make one of the following decisions, based on the clinical information provided during the review:
 - Denial is upheld with no additional days.
 - Denial is upheld with additional days to complete discharge plan. Use of the term partially reversed will be discontinued.
 - Denial is reversed and the stay is authorized.

Contact Information

For claims questions or additional information, contact Provider Relations:

Provider Relations toll-free in- and out-of-state: 1-800-624-3958

Helena: (406) 442-1837

E-mail: MTPRHelpdesk@ACS-inc.com

Visit the Provider Information website:

<http://www.mtmedicaid.org>