

Chapter 5

Service Authorization

Some PrimeWest Health covered services require authorization. The Service Authorization requirement is used to safeguard against inappropriate and unnecessary use of health care services. Some authorization requirements are governed by state law and federal regulations. When members have private insurance, providers must follow authorization and other rules that apply to the primary insurance.

Providers should obtain [Service Authorization](#) prior to providing a service. The Service Authorization requirements apply when PrimeWest Health is primary, secondary, or tertiary payer for the member. There is an exception when Medicare Fee-for-Service [FFS] is primary: for members with Medicare FFS as primary, if Medicare pays for any service, no authorization is needed for PrimeWest Health to pay the copay or coinsurance. If Medicare denies or does not cover, all authorization rules apply.

Requests for authorization after the service has been provided are subject to the same review criteria as those that are received prior to providing the service.

Receiving an approval for a [Service Authorization](#) request does not guarantee payment. Providers must follow PrimeWest Health billing policy guidelines, and the PrimeWest Health member must be eligible at the time the service is rendered.

All PrimeWest Health Utilization Management (UM) determinations are based only on the appropriateness of care and service and coverage. PrimeWest Health does not reward practitioners or other individuals for issuing denials of coverage or care. There are no financial or other incentives for PrimeWest Health UM decision makers to encourage decisions that result in underutilization.

Definitions

Authorization: The written approval and issuance of an authorization number by a medical review agent under contract with PrimeWest Health

Fair Hearing: An administrative proceeding to examine facts concerning the matter in dispute and to advise the Commissioner if the decision to reduce or deny benefits is appropriate.

Investigative Health Service: A procedure that has limited human application and trial and lacks wide recognition as a safe and effective procedure in clinical medicine. A drug or device (identified in the [Food, Drug, and Cosmetic Act](#)) the United States Food and Drug Administration has not yet declared safe and effective for the use prescribed.

Local Trade Area: The geographic area surrounding a member's residence commonly used by local residents to obtain similar health care services.

Medically Necessary or Medical Necessity: A health service that is consistent with the member's diagnosis or condition and is:

1. Recognized as the prevailing medical community standard or current practice by the provider's peer group; and
2. Rendered in response to a life-threatening condition or pain; or to treat an injury, illness, or infection; or to treat a condition that could result in physical or mental disability; or to care for the mother and child through the maternity period; or to achieve community standards for diagnosis or condition; or is a preventive health service.

Out-of-State Provider: A provider located outside of the State of Minnesota and the member's local trade area.

Referee: A person who conducts fair hearings and provides recommendations to the Commissioner.

PrimeWest Health Authorization Criteria

PrimeWest Health requires Service Authorization as a condition of PrimeWest Health payment (regardless of whether PrimeWest Health is primary, secondary, or tertiary insurance for the member) if any of the following apply:

1. The health service is of questionable medical necessity
2. The health service requires monitoring to control the expenditure of PrimeWest Health funds
3. A less costly, appropriate alternative health service is available
4. The health service is investigative or experimental
5. The health services is newly developed or modified
6. The health service is of a continuing nature and requires monitoring to prevent its continuation when it ceases to be beneficial
7. The health service is comparable to a service provided in a Skilled Nursing Facility (SNF) or hospital but is provided in a member's home
8. The health service may be considered cosmetic
9. Authorization is mandated by the State of Minnesota

PrimeWest Health Utilization Review staff processes requests for Service Authorization. Utilization Review staff accepts requests for Service Authorization by fax or telephone. Faxed requests for Service Authorization are accepted on the PrimeWest Health [Service Authorization Forms](#), which are available on the website at www.primewest.org.

Appropriate documentation for medical necessity is required for all requests. Refer to the appropriate covered services chapter for more information about specific documentation requirements, or contact PrimeWest Health Medical Administration at:

PrimeWest Health
2209 Jefferson St, Ste 101
Alexandria, MN 56308
1-866-431-0803 (toll free)
1-866-431-0804 (fax)

Documentation Requirements

The criteria listed below are used by PrimeWest Health Utilization Review when processing requests for authorization. To merit authorization, the service must be all of the following:

1. Medically necessary, as determined by prevailing medical community standards or customary practice and usage
2. Appropriate and effective for the member's medical needs
3. Timely, considering the nature and present medical condition of the member
4. Provided by a provider with appropriate credentials
5. The least expensive, appropriate alternative available
6. An effective and appropriate use of PrimeWest Health funds

Modifiers

If a modifier is required for a particular procedure code, the request for Service Authorization submitted to PrimeWest Health must include the modifier. Information on the approved authorization, including the procedure code(s) and the modifier(s), must match claim information for the service, or the claim will be denied.

Out-of-Plan Providers

Except for emergency services, out-of-plan providers must obtain prior authorization before providing PrimeWest Health covered services. Requests for prior authorization of services provided outside of the PrimeWest Health network or by non-contracted providers in or out of State must include documentation establishing medical necessity and the unavailability of that service in Minnesota or in the PrimeWest Health network. PrimeWest Health covered services provided to a Minnesota member by an out-of-state, out-of-plan provider will be covered under the following circumstances:

1. The services are medically necessary;
2. The services are provided in response to an emergency while the member is out of the state and the provider is out of plan;
3. The services are not available in network or by an out-of-state contracted provider, and the attending physician has determined medical necessity and obtained prior authorization from PrimeWest Health. (The county is responsible for travel expenses associated with obtaining the out-of-state services.); or
4. The services are required because the member's health would be endangered if he/she were required to return to Minnesota or to an in plan or in network provider for treatment.

There is an exception to the [Service Authorization](#) requirement for out-of-plan providers for members in the Special Needs BasicCare (SNBC)^{*} group and pediatric members (21 years old or younger). Non-contracted physician specialists are allowed to see members in these two groups without a Service Authorization. This exception for these two groups of members applies only to clinic or outpatient hospital office visits provided by physician specialists (example: cardiology, pulmonology, pediatric endocrinology, etc.) and diagnostic testing or laboratory services ordered by the same physician specialists.

Notice of Action Taken

PrimeWest Health will notify the provider and member, in writing, of action taken on an authorization request. PrimeWest Health Utilization Review will notify the provider if additional information is needed to determine medical necessity. If a request is denied, the member will receive a notice of member's right to Appeal.

Fair Hearings

If the request is denied or reduced, the member may Appeal the decision to PrimeWest Health Appeal and Grievances and/or request a fair hearing before a referee from the Minnesota Department of Human Services (DHS). To request a fair hearing, a member must contact the Appeals Unit at DHS.

Providers do not have the right to Appeal a denied request under the department's fair hearing process. Providers may submit additional documentation and ask PrimeWest Health for a reconsideration of a decision.

Authorization Lists

New technology, investigative health services, etc., will always require Service Authorization. In addition, all inpatient admissions to acute level of care, to acute rehabilitation, to long-term acute care, to subacute units, and to SNFs require certification. Refer to the appropriate chapter in this manual for specifics about what services require Service Authorization. Some general information about certain categories of services is listed below.

^{*}PrimeWest Health's name for this program is Prime Health Complete (HMO SNP)/(SNBC)

PrimeWest Health follows DHS policy of requiring authorization for certain services for which no Healthcare Common Procedure Coding System (HCPCS) codes are assigned. The current version of that list (6.1.2009) is as follows.

Services for which no HCPCS codes are assigned	Antitrypsin Deficiency Replacement Therapy – investigative except when used in patients satisfying the following criteria (90799, 90784): <ul style="list-style-type: none"> •Inherited alpha-1 antitrypsin deficiency •Forced expiratory volume (FEV1) should be less than 65% of the normal value •Patients waiting for lung transplantation
Angel Wings Occluder	
Angioplasty, Laser	
Apheresis	For LDL - Hypercholesterolemia: Familial type IIA homozygous form (P)
Apnea Appliance, Oral	
Artificial Heart Implant	
Autograft skin culture and culture transplants for severe burns and patients with giant hairy nevus	
Autologous Chondrocyte Implantation	
Balloon transurethral divulsion of prostate gland	
Bone grafts from animal sources	
Bullectomy (laser)	
Carotid angioplasty with/without stenting	
Cardiomyoplasty	
Cervigram (considered not medically necessary)	
Cold laser treatment	
Coma stimulation	
Cranial sacral therapy	
Cryoglobulinemia: refractory (P)	
Cryosurgical Ablation of Prostate	
Contact Dissolution Therapy	
Chronic electrostimulation of the pallidum for Parkinson’s disease	
Cytosan for Neurological Disorders	Investigative except in patients with progressive MS who have failed standard therapy. (J9070 – J9092)
Diastasis Recti Abdominus repair	
Electrostimulated Gracilis Neosphincter	
Energy Emission Analysis	
Epikeratophakia Lens (authorization required for eligible indications) (65760, 65765, 65767)	
Hair Analyses	
Epidural access:	Administration of analgesia for: <ul style="list-style-type: none"> •Control of severe, intractable pain of the terminally ill secondary to malignancy •Control of spasticity with low dose morphine •Control of physically disabling spasticity of spinal origin (i.e., resulting from Multiple Sclerosis or spinal cord injury) with intrathecal baclofen (Lioresal) in patients who are refractive to various pharmacologic (i.e., oral baclofen) and exercise therapies, and have a significant functional component that is expected to improve with this therapy. <p>We will pay for services associated with infusion pumps only when the pump is FDA-approved. These associated services include implantation surgery and hospitalization. Infusion pumps provided on an outpatient basis require prior authorization. Infusion pumps associated with inpatient services are covered as part of the DRG payment and cannot be billed separately.</p>
Fetal Tissue transplantation	
Gravity lumbar reduction	

Growth Hormone Treatment	
Gunderson Lyme Test – test is considered investigative	
Homeopathy & Homeopathic Gene Therapy Treatment Drugs	
Homeopathic Medicine, Electrodiagnostic Machine	
Hyperhomocysteinemia	
Immunoglobulin Therapy	Investigative for the treatment of multiple sclerosis, chronic fatigue syndrome, and chronic sinus infections. Not considered investigative for acute inflammatory demyelinating polyneuropathy (Guillan Barre).
Impedance Cardiography	
Impotence – Vascular Surgery	
Intravaginal Conception (IVC)	
Interleukin 2	For malignant melanoma – considered investigative for all indications except renal cell carcinoma
Iontophoresis Devices for Hyperhidrosis	
IV Vitamins and Minerals	Investigative when administered in the office setting for allergies, candidiasis, chronic fatigue syndrome, Epstein-Barr virus, and multiple sclerosis
Knee Cartilage (Meniscus) Transplants including autologous chondrocyte implementation	
LASIK	
Laser Assisted Uvulopalatopharyngoplasty (LAUP)	
Laser Corneal Sculpturing	
Lyme Borreliosis Antigen Testing	
Lymphokine Activated Killer Cells (LAK)	
Magnetic Source Imaging	
Methyl Test – Butyl Ether (MTBE)	
Nerve Expansion	
Nephrectomy (Percutaneous)	
Neurometric encephalogram	
Omental Transposition to Spinal Cord	
Perfusion – isolated limb	
Phototherapeutic Keratectomy	
Platelet Derived Wound Healing Factor (PDWHF)	
Posturography	
Prolastin – see alpha-1 antitrypsin deficiency for indications for coverage	
Promontory Test	
Protropin	
Red blood cell substitutes	
Rotating Chair Test	
Scanning laser technologies for glaucoma testing and monitoring	
Seismocardiogram	
Somatostatin Analog	Investigative except for the treatment of metastatic carcinoid tumors and vasoactive intestinal peptide – secreting (VIP) tumors, and pancreatic fistulas
Spiral (helical) CT or electron beam (EBCT) CT	
Therastim	
Tissue Engineering	
Topographic Brain Mapping	
Transmyocardial Laser Revascularization	
Transmyocardial revascularization adjunct to CABG	
Transurethral Cryosurgical removal of prostate	
Ultra fast CT	
Uterine Lavage for Preembryo Transfer	

Vagal Nerve Stimulator using Neralcybernetics Prosthesis (NCP)	
Vascular Surgery for Impotence	Surgical correction of organic impotence by either venous or arterial procedures
Ventricular reduction surgery	
Vertebral Axial Compression	

Dental Services

It is essential that requests submitted for Service Authorization consideration be accompanied by adequate case information and appropriate diagnostic materials (e.g., radiographs of patient's current dental condition, prosthesis information, teeth to be replaced, prognosis for remaining dentition, complete 6-point periodontal charting for cast metal partials). Refer to [Dental Services, Chapter 19](#) for coverage guidelines and authorization.

Vision Care Services

Refer to Eyeglasses and Vision Care Services, [Chapter 20](#).

Contact lenses need Service Authorizations before they are provided to members without a diagnosis of Aphakia, Aniseikonia, Keratoconus, or Bandage Lenses.

Tints and polarized lenses require a Service Authorization before being provided.

PrimeWest Health does not require a Service Authorization before obtaining the second pair of eyeglasses in a 24-month dispensing period. Providers are only to dispense a second pair if the replacement criteria of receiving eyeglasses more frequently than every two years are met. The providers are still under the obligation of documenting the reason the second pair of eyeglasses was provided and of keeping that documentation in the member's medical record. Refer to Eyeglasses and Vision Care Services, [Chapter 20](#) for criteria.

Medical Supplies and Equipment; Prostheses and Orthoses Medical Equipment/Supplies

Providers must get authorization for all equipment and supplies listed in Equipment and Supplies, [Chapter 23](#), where authorization is indicated. Authorization is required for the following general areas:

1. All wheelchairs: When purchased, rented, or for use in nursing facilities.
2. Repairs (if parts and labor is more than \$400) to equipment: Specify who owns the equipment.
3. E1399 is the unspecified equipment code. This code is to be used only when no specific, descriptive HCPCS code is assigned.

Prostheses and Orthoses

Providers must request authorization for prostheses and orthoses (orthotics) when the cumulative cost exceeds \$3,000.

Hearing Aids

Refer to [Rehabilitative Services, Chapter 17](#) for specific information.

Services in the following categories require authorization:

1. Hearing aids billed for more than \$1,000
2. Hearing aid systems regardless of price: hearing aid in glasses, CROS in glasses, BICROS in glasses, assistive listening device, pocket talker, device for use with cochlear implant
3. The provision of more than one hearing aid or hearing aid dispensing fee in a five-year period
4. The purchase of a hearing aid when pure-tone average is less than 25 dB HL in an adult and less than 20 dB HL in a child

Drugs

See PrimeWest Health [Pharmacy Services, Chapter 22](#). In Chapter 22, you will see a complete list of medication and pharmacy services provided through the pharmacy that need authorization. The list includes how we notify providers if a pharmacy item or medication is added to the Service Authorization requirement.

The following need Service Authorization when dispensed during a medical office visit or in the member's home:

1. Botulinum toxin (J0585, J0587)
2. Dolasetran mesylate (J1260, Q0180) if used for more than 4 consecutive weeks
3. Granisetron (J1626, Q0166, S0091) if used for more than 4 consecutive weeks
4. Omalizumab (J2357)
5. Palonosetron, if used for more than 4 consecutive weeks (J2469)
6. Cultured Chondrocyte implants (J7330)
7. Aprepitant (J8501)
8. Interferon (J9213, J9214, J9215, J9216)
9. Unspecified oral antiemetic following chemotherapy (Q0181)
10. Natalizumab (J2323)
11. All Unclassified Drug Code (J3490, J3535, J3590, J7599, J7699, J7799, J8498, J8499, J8597, J8999, J9999, Q4082, C9399)
12. Pavilizumab (Synagis) (90378)

Rehabilitative Services

See PrimeWest Health [Rehabilitative Services, Chapter 17](#).

All Other Services

The following health services require authorization:

1. All air ambulance transportation that originates from or is to a destination outside of Minnesota **and** is to and/or from an out of network or out of plan provider
2. Investigative health services and procedures that may be considered cosmetic. If staged reconstructive surgery is being proposed for correction of a congenital anomaly, the complete plan for future surgeries must be submitted with the first authorization.
3. All surgical or behavioral modification services aimed specifically at weight reduction
4. Services provided outside of Minnesota. This requirement for prior authorization does not include emergency services. A Service Authorization **is** required before providing non-emergent services needed because the member's health would be endangered if the member were required to return to Minnesota. A Service Authorization is also required for services provided to children placed outside of Minnesota through the subsidized adoption assistance program under MS [256B.055](#), subd. 1 or 2.

Legal References

[MS 256B.02](#)

[MS 256B.04](#)

[MS 256B.093](#)

[MS 256B.0625](#)

[MS 256B.0627](#)

MN Rules part [9505.0175](#), [9505.0215](#); [9505.0500 – 9505.0540](#)

MN Rules part [9505.5000 – 9505.5105](#)

[42 CFR 431.52](#)

[42 CFR 440.230](#)