

	<b>POLICY AND STANDARDS</b>
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**Policy Applicability:**




- Human Affairs International of CA (HAI-CA)   
  EAP   
  Managed Behavioral Health  
 Magellan Health Services of California, Inc.-Employer Services (Magellan Employer Services)

<b>Policy Number:</b>	CO.1.CA.01
<b>Policy Name:</b>	Independent Medical Review
Date of Inception:	7/01/00
Previous Approval Dates:	7/01/00; 11/12/02; 03/10/05; 06/26/06; 09/24/07; 10/23/08; 3/22/10
Current Approval Date:	9/20/11

**Policy Approvals:**

**Signatures:**

**Date:**

Pamela J. Masters, MFT President, HAI-CA and Magellan Employer Services, Co-Chair, Quality Improvement Committee		09/20/11
Robert Shain, M.D. Medical Director, HAI-CA and Magellan Employer Services Co-Chair, Quality Improvement Committee		09/20/11
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**Cross Reference(s)**

*Comment Process; Member Appeal Rights & Review, Utilization Management: General Guidelines; Utilization Management Coverage: Commercial*

**Policy Statement**

Magellan\* provides procedures for the expeditious processing of requests for external appeal of adverse determinations through an Independent Review Organization as required by applicable law or customer contract.

**Purpose**

The purpose of this policy is to establish standards to assure independent and timely review of disputed health care services to assure that appropriate, beneficial treatment interventions are made available to members.

**Scope**

<input type="checkbox"/> Account Management	<input type="checkbox"/> EAP	<input type="checkbox"/> Marketing/Comm/Sales
<input type="checkbox"/> Claims (Service Ops)	<input checked="" type="checkbox"/> Employer Solutions	<input type="checkbox"/> Medicaid
<input checked="" type="checkbox"/> Clinical Operations	<input type="checkbox"/> Finance	<input type="checkbox"/> Medicare
<input checked="" type="checkbox"/> Compliance	<input checked="" type="checkbox"/> Health Plan Solutions	<input type="checkbox"/> Network
<input type="checkbox"/> CCM	<input type="checkbox"/> Human Resources	<input type="checkbox"/> Public Sector Solutions
<input type="checkbox"/> Credentialing/Recred	<input type="checkbox"/> Information Technology	<input type="checkbox"/> Quality Improvement
<input checked="" type="checkbox"/> Customer Service	<input type="checkbox"/> Legal	<input type="checkbox"/> Security

**Key Terms**

*Policy Terms & Definitions* are available should the reader need to inquire as to the definition of a term used in this policy.

To access the *Policy Terms & Definitions Glossary* in MagIC, click on the below link: *(internal link(s) available to Magellan employees only)*

**[Policy Terms & Definitions Glossary](#)****Key Terms Pertinent to this Policy****Coverage Decision**

An administrative determination; the approval or denial of health care services, substantially based on a finding that the provision of a particular service is included or excluded as a covered benefit under the terms and conditions of the health care service plan contract or insurance contract (e.g., exhaustion of benefits, non-compliance with the plan requirements such as failure to pre-certify as allowed by state law, insufficient information to render a medical necessity determination within

required decision timeframes). A coverage decision is not a decision on medical necessity. See definition of “Administrative Determination” in *Policies Terms & Definitions Glossary*.

*Disputed Health Care Service*

Any health care service eligible for coverage and payment that has been denied, modified, or delayed, in whole or in part due to a finding that the service is not medically necessary where (1) the service involves the practice of medicine (i.e., services of a psychiatrist or inpatient services) and/or the service is covered under a carve-out contract with a Health Plan. A decision regarding a disputed health care service relates to the practice of medicine and is not a coverage decision.

*Imminent and Serious Threat to Health*

A condition involving threat to the health of a member including, but not limited to, serious pain, the potential loss of life, limb, or major bodily function, or the immediate serious deterioration of the health of the member.

*Independent Medical Review (IMR)*

An external, independent review process to examine non-authorization decisions regarding 1) experimental or investigational treatments; or 2) disputed health care services.

*Independent Review Organization (IRO)*

An entity that conducts independent medical reviews of non-authorization determinations. For non-authorization determinations based on medical necessity or experimental or investigational treatment in connection with California members, the IRO is contracted with, and appointed by, the Department of Managed Health Care or the California Department of Insurance.

*Life-threatening Condition*

A disease or condition where 1) the likelihood of death is high unless the course of the disease is interrupted; and/or 2) the outcome is potentially fatal and the end point of intervention is survival.

*Medical and Scientific Evidence*

Evidence that is from one or more of the following sources: 1) peer-reviewed scientific studies published in or accepted for publication by medical journals that meet nationally recognized requirements for scientific manuscripts and that submit most of their published articles for review by experts who are not part of the editorial staff; 2) peer-reviewed literature, biomedical compendia, and other medical literature that met criteria of the National Institutes of Health’s National Library of Medicine for indexing in Index Medicus, Excerpta Medicus (EMBASE), Medline, and MEDLARS data base Health Services Technology Assessment Research (HSTAR); 3) medical journals recognized by the Secretary of Health and Human Services, under Section 1861(t)(2) of the Social Security Act; 4) the following standard reference compendia: The American Hospital Formulary Service-Drug Information, the American Medical Association Drug Evaluation, the American Dental Association Accepted Dental Therapeutics, and the United States Pharmacopoeia-Drug Information; 5) findings, studies, or research conducted by or under the auspices of federal government agencies and nationally recognized federal research institutes, including the Federal Agency for Health Care Policy and Research, National Institutes of Health, National Cancer Institute, National Academy of Sciences, Health Care Financing Administration, Congressional Office of Technology Assessment, and any national board recognized by the National Institutes of Health for the purpose of evaluating the medical value of health services; and 6) peer-reviewed abstracts accepted for presentation at major medical association meetings.

*Seriously Debilitating Condition*

A disease or condition that causes major irreversible morbidity.

**Standards**

## I. General Standards

- A. Magellan cooperates with the California Department of Managed Health Care (DMHC) and the California Department of Insurance (CDI) in enabling eligible members to obtain Independent Medical Reviews (IMRs.)
- B. Magellan or Magellan's customer health plan includes information regarding the right to an IMR in evidence of coverage forms, member handbooks and relevant brochures, and contracts with customers, as applicable, and in plan procedures for resolving appeals, non-authorization notices, appeal forms, and on written responses to appeals.
- C. Magellan provides eligible members notice of the IMR process and of the possible forfeiture of any statutory right they may have to pursue legal action against Magellan in connection with the treatment that was not authorized if they fail to participate in the IMR process.
  1. Whenever Magellan issues a non-authorization, Magellan's denial notice includes notice of the member's right to seek an IMR. Such notice includes information on the IMR process, an IMR application, an envelope addressed to the DMHC or CDI, as applicable, the toll-free number of the DMHC or the CDI, and an Authorization for Use or Disclosure of Protected Health Information (AUD.) (An IMR application is also available on the DMHC website at [www.dmhc.ca.gov](http://www.dmhc.ca.gov) or at the CDI website at [www.insurance.ca.gov](http://www.insurance.ca.gov), as applicable.)
  2. Whenever Magellan issues an appeal determination upholding a non-authorization decision, Magellan furnishes to eligible members, along with the appeal determination, an IMR application approved by the DMHC or CDI, an envelope addressed to the DMHC or CDI, as applicable, and an AUD. (An IMR application is also available on the DMHC website at [www.dmhc.ca.gov](http://www.dmhc.ca.gov) or at the CDI website at [www.insurance.ca.gov](http://www.insurance.ca.gov), as applicable.)
- D. A member may designate an agent to act on his/ her behalf in connection with a request for an IMR. The provider may join with or otherwise assist the member in seeking an IMR, and may advocate on behalf of the member.
- E. No processing or application fee is charged the member for access to an IMR.
- F. Magellan staff who is involved in processing IMR requests maintains confidentiality in accordance with applicable state and federal law.
- G. An AUD authorizing disclosure of information to the DMHC and the IRO, signed by the member or his/her legal guardian, is required to process a request for records in connection with an IMR
- H. Magellan does not engage in any conduct that is aimed at prolonging the IMR process.

## II. Eligibility for IMR

- A. Treatment Non-authorized as Experimental or Investigational
  1. IMR is available to any member who meets all of the following criteria:

- a) Magellan has denied authorization of a procedure or other treatment on the basis that such procedure or treatment is experimental or investigational; and
  - b) The member has a life-threatening or seriously debilitating condition; and
  - c) The specific treatment would be covered under the member's plan except for Magellan's determination that the treatment is experimental or investigational; and
  - d) The member's provider certifies that (i) standard treatments have not been effective in improving the member's condition, (ii) standard treatments would not be medically appropriate for the member, or (iii) there is no more beneficial standard therapy covered by the plan than the requested treatment; and
  - e) The treatment is likely to be more beneficial than any standard therapy, according to:
    - i) Written certification of the member's provider, who is a Magellan network provider who has recommended the treatment; or
    - ii) A request for authorization of treatment by the member or the member's provider, who is a licensed, board-certified physician qualified to practice in the area of practice appropriate to the member's condition, and as demonstrated by at least two (2) documents from the medical and scientific evidence; and
  - f) The DMHC or CDI, as applicable, has determined that the member is eligible for IMR.
2. Members are not required to participate in Magellan's appeal process prior to initiating a request for an IMR.
- B. Disputed Health Care Services - IMR is available to any member who meets all of the following criteria:
1. Magellan has denied, modified, or delayed authorization of a disputed health care service on the basis that the health care service is not medically necessary; and
  2. The member has filed a grievance with Magellan and the decision on the disputed health care service is upheld or the grievance remains unresolved after 30 days, or, in the case of a grievance that requires expedited review, after three (3) calendar days; and
  3. One or more of the following criteria is met:
    - a) The member's provider has recommended a health care service as medically necessary; or
    - b) The member has received urgent care or emergency services that a provider has determined was medically necessary; or
    - c) The member has been seen by a participating provider for the diagnosis or treatment of the medical condition for which the member seeks independent review, whether or not the participating provider has recommended the disputed health care service; and
  4. The DMHC has determined that the member is eligible for IMR.

### III. IMR Process

- A. Within three (3) business days of receipt of notice from the DMHC or CDI of a request for an IMR or within one (1) calendar day in the case of an expedited review, Magellan provides to the IRO a copy of the following documents:
1. Complete, legible copy of all medical records and other information in Magellan's possession relevant to each of the following:
    - a) The member's condition for which the disputed health care service is requested; and
    - b) The health care services being provided by Magellan and participating providers for the condition; and
    - c) The disputed health care services requested for the condition.
  2. Copy of all correspondence from and received by Magellan concerning the treatment, including all appeal correspondence;
  3. Copy of the cover page of the evidence of coverage form and complete pages with the referenced sections highlighted or underlined sections, if the evidence of coverage was referenced in Magellan's resolution of the appeal;
  4. Magellan's response to any additional issues raised in the member's application for an IMR;
  5. All information provided to the member and any participating providers concerning Magellan decisions regarding the member's condition and care, including the written response to the member's appeal of Magellan's non-authorization of the disputed health care service;
  6. Copy of all information submitted to Magellan by the member or the member's provider in support of the request for coverage of the treatment; and
  7. Copy of any other relevant documents or information used by Magellan in making the determination that the treatment is experimental or investigational or is not medically necessary, including any statements by Magellan explaining the reasons for the decision to deny, modify, or delay the disputed health care service on the basis of medical necessity or experimental/investigational.
- B. If Magellan discovers or develops additional medical records pertaining to the condition or treatment of the member after furnishing copies of records to the IRO, Magellan immediately forwards a copy of such additional records to the IRO, within no more than five (5) business days of receipt of the additional information (one (1) calendar day in expedited cases).
- C. Following submission of the documents identified in A.1.–7. above to the IRO, Magellan promptly sends to the member an annotated list of the documents and offers the member an opportunity to request copies of the documents. Except for information found by the director of the DMHC to be legally privileged, Magellan provides a copy of each requested document to the member and/or the member's provider.

- D. Magellan considers the determination of the IRO panel binding. No further appeals are available to the member in connection with the requested treatment. The Care Manager documents the IRO panel determination in the utilization management case record.
1. If the IRO panel reverses Magellan's determination (i.e., determines that the requested treatment *is* medically necessary or is not likely to be more beneficial for the enrollee than any available standard therapy, as applicable), Magellan sends an authorization to the member within three (3) business days of receipt of the IRO panel determination in accordance with standard utilization management processes. If the treatment was rendered prior to the IMR, Magellan pays the claims in connection with such treatment in accordance with standard claims processing procedures within five (5) business days of the later of receipt of the IRO panel determination and receipt of the claims.
  2. If the IRO panel upholds Magellan's determination (i.e., determines that the requested treatment *is not* medically necessary or *is* experimental or investigational), the Care Manager closes the case in connection with the requested treatment.

### ***Associated Forms and Attachments***

*DMHC IMR Application*

*CDI IMR Application*