



## Administrative Policy Statement INDIANA MARKETPLACE

Policy Name		Policy Number	Date Effective
Medical Necessity Determinations		AD-0048	06/01/2021
Policy Type			
Medical	<b>ADMINISTRATIVE</b>	Pharmacy	Reimbursement

Administrative Policy Statements prepared by CareSource and its affiliates are derived from literature based on and supported by clinical guidelines, nationally recognized utilization and technology assessment guidelines, other medical management industry standards, and published MCO clinical policy guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

Administrative Policy Statements prepared by CareSource and its affiliates do not ensure an authorization or payment of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced in the Administrative Policy Statement. If there is a conflict between the Administrative Policy Statement and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination.

According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

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## A. Subject

### Medical Necessity Determinations

## B. Background

CareSource will determine medical necessity for a requested service, procedure, or product based on the hierarchy within this policy.

## C. Definitions

- **Medically Necessary** - Health care services or supplies needed to prevent, diagnose or treat an illness, injury, condition, disease or its symptoms and that meet accepted standards of medicine.

## D. Policy

- I. The reviewer will determine medical necessity based on the following hierarchy:
  - A. Benefit contract language.
  - B. Federal regulation or state regulation including state waiver regulations when applicable.
  - C. CareSource medical policy statements.
  - D. Nationally-accepted evidence-based clinical guideline (MCG).
  - E. Professional judgment of the medical or behavioral health reviewer based on the following potential resources (may include but are not limited to):
    1. Clinical Practice Guidelines published by consortiums of medical organizations and generally accepted as industry standard.
    2. Evidence from TWO published studies from major scientific or medical peer-reviewed journals that are < 5 years old preferred and < 10 years required to support the proposed use for the specific medical condition as safe and effective.
    3. National panels and consortiums such as NIH (National Institutes of Health), CDC (Centers for Disease Control and Prevention), AHRQ (Agency for Healthcare Research and Quality), NCCN (National Comprehensive Cancer Network), Substance Abuse and Mental Health Services Administration (SAMHSA). Studies must be approved by a United States (US) institutional review board (IRB) accredited by the Association for the Accreditation of Human Research Protection Programs, Inc. (AAHRPP) to protect vulnerable minors.
    4. Commercial External Review Organizations such as Up-to-date and Hayes, Inc.
    5. Consultation from a like specialty peer.
    6. Specialty and sub-specialty societies listed below (This is not an all-inclusive list):



Sub-specialty	Specialty Society
Addiction Medicine	American Society of Addiction Medicine
Cardiology	American College of Cardiology
Clinical Cardiac Electrophysiology	Heart Rhythm Society
Critical Care Medicine	Society of Critical Care Medicine
Endocrinology, Diabetes and Metabolism	American Academy of Clinical Endocrinologists Endocrine Society
Gastroenterology	American Gastroenterological Association American College of Gastroenterology
Geriatric Medicine	American Geriatrics Society
Gynecology	American Congress of Obstetricians and Gynecologists Society of Gynecologic Oncologists:
Gynecologic Oncology	Society of Gynecologic Oncologists
Hematology	American Society of Hematology
Hospice and Palliative Medicine	American Academy of Hospice and Palliative Medicine
Infectious Disease	Infectious Disease Society of America
Internal Medicine	UpToDate
Nephrology	American Society of Nephrology
Oncology	American Society of Clinical Oncology
Pediatrics	American Academy of Pediatrics
Psychiatry	American Psychiatric Association American Academy of Child & Adolescent Psychiatry
Pulmonary Disease	American College of Chest Physicians
Rheumatology	American College of Rheumatology
Sleep Medicine	American Academy of Sleep Medicine
Surgery of the Hand	American Society for Surgery of the Hand

E. Conditions of Coverage

NA



**F. Related Policies/Rules**  
CareSource Evidence of Coverage

**G. Review/Revision History**

DATES		ACTION
<b>Date Issued</b>	8/02/2017	
<b>Date Revised</b>	12/11/2019	Added rules, added definitions, removed hyperlinks, updated external review organizations and updated age restrictions.
	04/01/2020	Added ASAM
	01/25/2021	Added waiver regulation
<b>Date Effective</b>	06/01/2021	
<b>Date Archived</b>		

**H. References**  
NA

The Administrative Policy Statement detailed above has received due consideration as defined in the Administrative Policy Statement Policy and is approved.