



Administrative Policy Statement OHIO MEDICAID

Policy Name		Policy Number	Date Effective
Medical Necessity Determinations		AD-0005	08/01/2020
Policy Type			
Medical	ADMINISTRATIVE	Pharmacy	Reimbursement

Administrative Policy Statements prepared by CSMG Co. and its affiliates (including CareSource) 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 CSMG Co. and its affiliates (including CareSource) 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.

Table of Contents

Administrative Policy Statement	1
A. Subject	2
B. Background	2
C. Definitions	2
D. Policy	2
E. Conditions of Coverage	4
F. Related Policies/Rules	4
G. Review/Revision History	4
H. References	4



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/Medical Necessity:**

“(A) Medical necessity for individuals covered by early and periodic screening, diagnosis and treatment (EPSDT) is defined as procedures, items, or services that prevent, diagnose, evaluate, correct, ameliorate, or treat an adverse health condition such as an illness, injury, disease or its symptoms, emotional or behavioral dysfunction, intellectual deficit, cognitive impairment, or developmental disability.

(B) Medical necessity for individuals not covered by EPSDT is defined as procedures, items, or services that prevent, diagnose, evaluate, or treat an adverse health condition such as an illness, injury, disease or its symptoms, emotional or behavioral dysfunction, intellectual deficit, cognitive impairment, or developmental disability and without which the person 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.

(C) Conditions of medical necessity are met if all the following apply:

- (1) Meets generally accepted standards of medical practice;
- (2) Clinically appropriate in its type, frequency, extent, duration, and delivery setting;
- (3) Appropriate to the adverse health condition for which it is provided and is expected to produce the desired outcome;
- (4) Is the lowest cost alternative that effectively addresses and treats the medical problem;
- (5) Provides unique, essential, and appropriate information if it is used for diagnostic purposes; and
- (6) Not provided primarily for the economic benefit of the provider nor for the convenience of the provider or anyone else other than the recipient.

(D) The fact that a physician, dentist or other licensed practitioner renders, prescribes, orders, certifies, recommends, approves, or submits a claim for a procedure, item, or service does not, in and of itself make the procedure, item, or service medically necessary and does not guarantee payment for it.”¹

D. Policy

- The reviewer will determine medical necessity based on the following hierarchy:
 - Benefit contract language.
 - Federal regulation or state regulation.
 - CareSource medical policy statements.
 - Nationally-accepted evidence-based clinical guideline (MCG).
 - Professional judgment of the medical or behavioral health reviewer based on the following potential resources (may include but are not limited to):

¹ <http://codes.ohio.gov/oac/5160-1-01>



Effective Date: 08/01/2020

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

F. Related Policies/Rules

G. Review/Revision History

DATES		ACTION
Date Issued	06/15/2012	
Date Revised	07/15/2013 07/15/2014 05/19/2015	Criteria changes with specialty/sub-specialty table added to policy. Revise language to include 'professional judgment in the absence of evidence-based methodology' and change order of Plan hierarchy.
	12/15/2015 12/11/2019	Revised class/category and defined evidence criteria for article submissions. Added rule, added definitions, removed hyperlinks, updated external review organizations and age restrictions.
	04/01/2020	Added ASAM
Date Effective	08/01/2020	
Date Archived	07/01/2021	

H. References

1. Ohio Administrative Code. (2015, March 22). 5160-1-01 Medicaid medical necessity: definitions and principles. Retrieved from <http://codes.ohio.gov>

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