

**Addiction and Prevention Services
State Quality Committee**

This report shows the number of authorization denials and appeals. Only the VO-KS Medical Director or equivalent can issue a denial for care based upon medical necessity. Providers/members can appeal denials (please see clinical and admin appeal policies on the VO-KS website for more information).

Please note: for medical necessity denials, if the provider and the VO-KS clinician agree to a level of care other than what was originally requested, a denial would not be issued. Denials are issued when an agreement can not be reached.

AGGREGATE ANALYSIS REPORT

Final

Reporting Period **FROM:** July 1, 2009 **TO:** September 30, 2009

Unit/Team/Department:
PIHP Quality Improvement

Topic/Project:
Grievance and Appeals
Appeals Summary (VO # 18, Grid Row #13)

Monitoring Standard:
42 CFR 438.240 Quality Assessment and Performance Improvement Program
42 CFR 438.402 General requirements
42 CFR 438.404 Notice of Action
42 CFR 438.408 Resolution and notification
42 CFR 438.420 Continuation of benefits while the MCO or PIHP appeal and the State Fair Hearing are pending
42 CFR 438.280 Effectuation of reversed appeals resolutions
42 CFR 438.420 Continuation of benefits while the MCO or PIHP appeal and the State Fair Hearing are pending
42 CFR 438.424 Effectuation of reversed appeal resolutions

Goal:
The PIHP will track and report quarterly to SRS/AAPS all denials and appeals that have occurred in a given quarter including timeline compliance. The standards are:

- Standard for Denial letter notification:
 - Treatment modality Level I, II, and all others except Level III: Denial letters must be sent within 14 days of the determination (100%)
 - Treatment modality Level III: Denial letters must be sent within 3 days of the determination (100%)
- Appeals:
 - 95% resolved within 14 days receipt of all required documentation
 - 100% resolved within 45 calendar days

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Objectives:

To assure the documentation is capturing both clinical (medical necessity) and administrative denials and appeals

To evaluate for trends that may require system intervention or education

To allow data to be presented consistently for Committee evaluation and response

Data Collection Activities:

Data was collected from ValueOptions CareConnect System. Denials and Appeals reporting will be provided by region, funding, and detail. Denials and Appeals are categorized as administrative and medical necessity. Reporting will also include State Fair Hearing data.

Definitions of Administrative and Medical Necessity denials:

Administrative Denial (or “Administrative Determination”) – A denial of services, or claims payment for services, based on reasons other than a lack of medical necessity. Examples of administrative denials include the provider is not licensed to provide the service requested, the member is AAPS eligible but the service requested is only available to Medicaid recipients, or the continued stay review (CSR) was submitted late.

Medical Necessity Denial- A denial of services or claims payment for services based on a review of clinical criteria (ASAM) compared to documentation provided. Only a physician who is certified by ASAM, or a psychologist/psychiatrist with extensive demonstrated substance abuse experience shall make decisions not to fully authorize a request for service based on medical necessity.

Results:

Denials/Appeals by Funding:

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Appeals by Funding

Date of Submission:

Reporting Period: July 1, 2009 - September 30, 2009

Funding Source	Number of Denials	Number of Appeals	Upheld	Overturned
Medicaid	40	4	2	2
Block Grant	99	9	2	7
Total	139	13	4	9

Total Number of Denials Received in this Reporting Period: 139

Percentage of Level 3 Denial letters sent within 3 days: 100%

Percentage of Denial letters sent within 14 days: 100%

Total Number of Appeals Received in this Reporting Period: 13

Percentage of appeals resolved within 14 days: 100%

Percentage of appeals resolved within 45 days: 100%

No denials or appeals were requested to be expedited during this reporting period

****This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.**

Denials/Appeals by Region AAPS:

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AAPS Appeals by Region

Reporting Period: July 1, 2009 - September 30, 2009



Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overturned
Kansas City	11	17	3	0	1	2
Wichita	12	2	4	0	0	4
West	2	1	0	0	0	0
Northeast	21	10	0	0	0	0
South Central	9	5	2	0	1	1
Southeast	2	7	0	0	0	0
Total	57	42	9	0	2	7

1 Wichita appeal was partially overturned so it was counted in the overturned category

Total number of AAPS Denials received within this reporting period: 99

Percentage of Denial letters sent within 3 days for residential or higher: 100%

Percentage of Denial letters sent within 14 days: 100%

Total number of AAPS Appeals received within this reporting period: 9

Percentage of Appeals sent within 14 days: 100%

Percentage of Appeals sent within 45 days: 100%

There were no requests for State Fair Hearings during this quarter.

****This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.**

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Denials/Appeals by Region Medicaid:

Medicaid Appeals by Region

Reporting Period: July 1, 2009 - September 30, 2009



Medicaid Appeals by Region

Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overturned
Kansas City	7	4	1	1	1	1
Wichita	10	5	0	0	0	0
West	0	1	0	0	0	0
Northeast	5	1	2	0	1	1
South Central	2	1	0	0	0	0
Southeast	2	2	0	0	0	0
Total	26	14	3	1	2	2

Total number of Medicaid Denials received in this reporting period: 40

Percentage of Denial letters sent within 3 days for residential or higher: 100%

Percentage of Denial letters sent within 14 days: 100%

Total number of Medicaid Appeals received in this reporting period: 4

Percentage of Medicaid Appeals sent within 14 days: 100%

Percentage of Medicaid Appeals sent within 45 days: 100%

There were no requests for State Fair Hearings during this quarter.

****This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.**

Annual FY 08 Summary Denial Data:

Region	Administrative					Medical Necessity					GrandTotals
	1st	2nd	3rd	4th	Total	1st	2nd	3rd	4th	Total	
Kansas City	8	0	1	0	9	5	2	12	9	28	37
Wichita	14	0	1	0	15	1	0	0	0	1	16
West	7	4	1	0	12	6	1	2	2	11	23
Northeast	6	3	5	0	14	1	0	2	0	3	17
South Central	5	3	2	0	10	2	1	1	0	4	14
South East	2	0	0	0	2	3	1	0	0	4	6
Total ALL	42	10	10	0	62	18	5	17	11	51	113

Total Denials for the year: 113

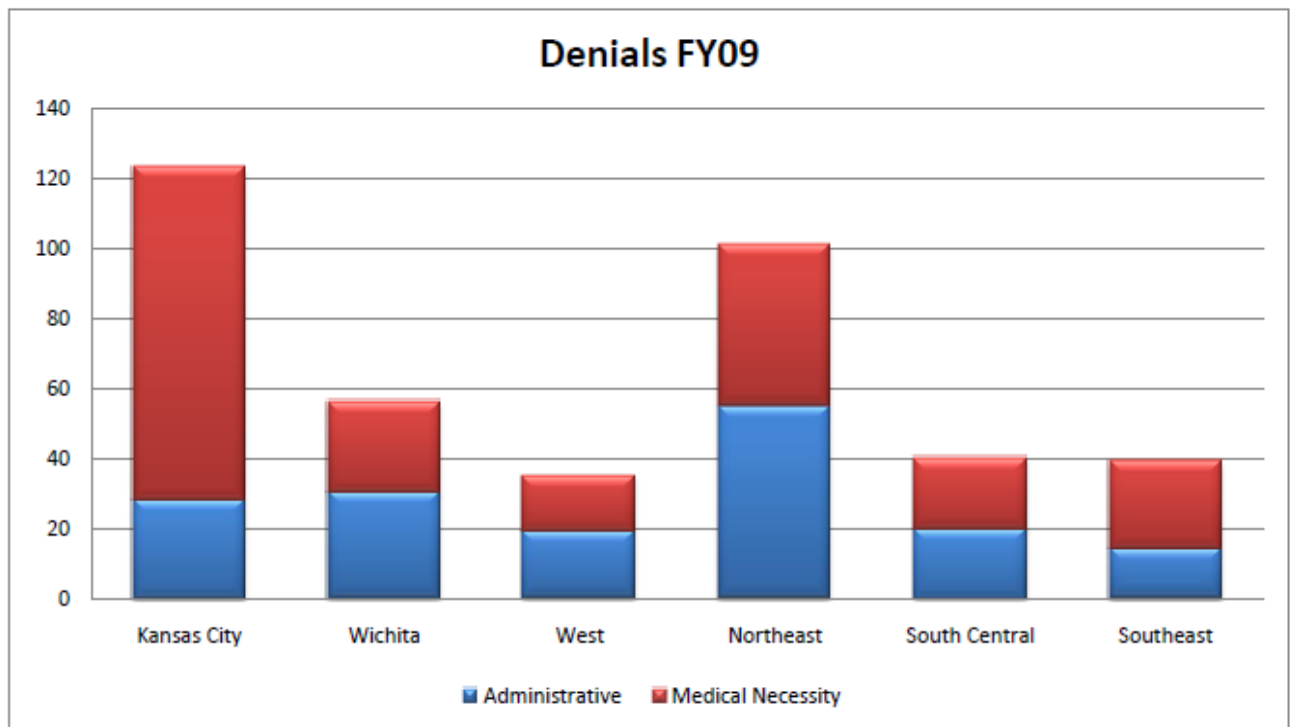
Total Appeals for the year: 14 (12.4 % of denials were appealed.)

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Annual FY 09 Summary Denial Data:

Region	Administrative					Medical Necessity					GrandTotals
	1st	2nd	3rd	4th	Total	1st	2nd	3rd	4th	Total	
Kansas City	0	0	15	13	28	12	27	31	25	95	123
Wichita	0	0	11	19	30	1	10	5	10	26	56
West	0	0	11	8	19	3	2	6	5	16	35
Northeast	1	0	38	16	55	1	16	14	15	46	101
South Central	0	0	16	4	20	3	1	10	6	20	40
South East	0	0	10	4	14	1	5	12	7	25	39
Total ALL	1	0	101	64	166	21	61	78	68	228	394

Total Denials for the year to date: 394



Annual FY 09 Summary Appeal Data:

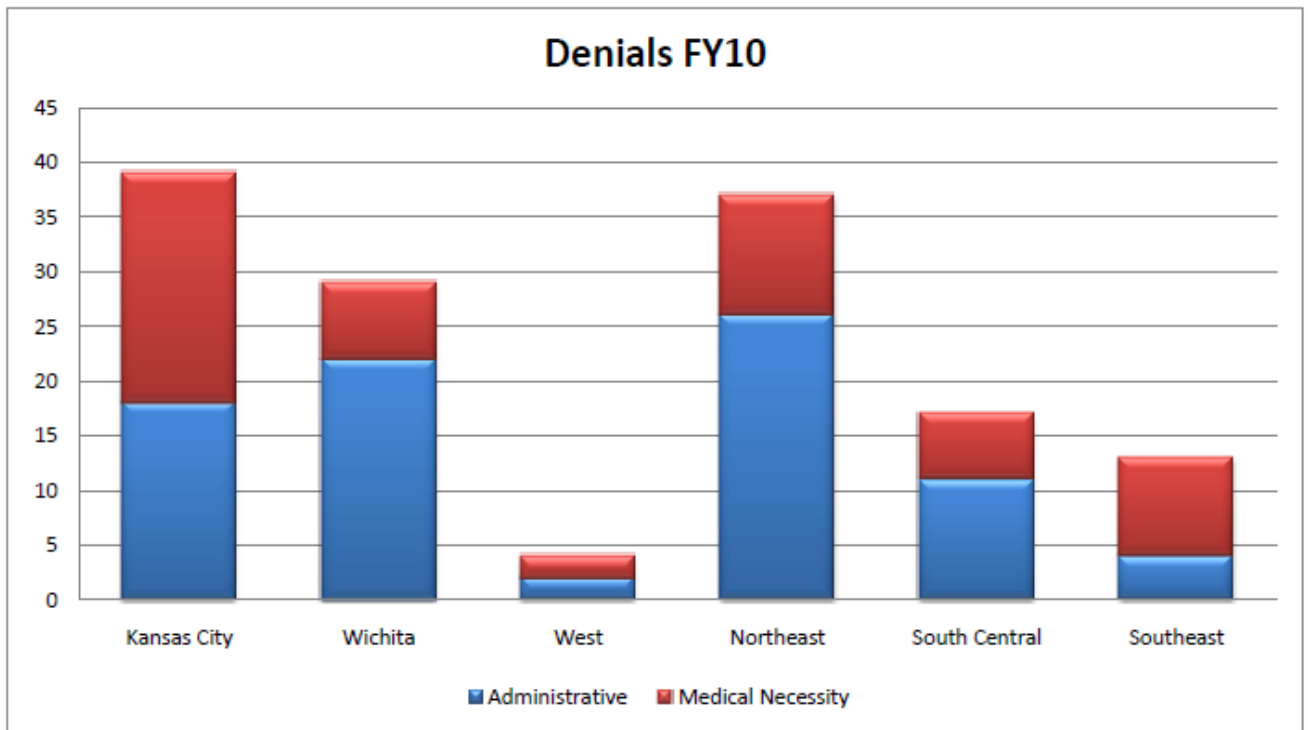
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Administrative	0	0	4	7	11
Medical Necessity	0	7	8	3	18
Total	0	7	12	10	29

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Annual FY 10 Summary Denial Data:

Region	Administrative					Medical Necessity					GrandTotals
	1st	2nd	3rd	4th	Total	1st	2nd	3rd	4th	Total	
Kansas City	18				18	21				21	39
Wichita	22				22	7				7	29
West	2				2	2				2	4
Northeast	26				26	11				11	37
South Central	11				11	6				6	17
South East	4				4	9				9	13
Total ALL	83				83	56				56	139

Total Denials for the year to date: 139



Annual FY 10 Summary Appeal Data:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Administrative	12				12
Medical Necessity	1				1
Total	13				13

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Conclusions:

First Quarter FY10:

- There were 139 denials reported first quarter.
 - This reflects an increase in denials from fourth quarter (4th qtr FY09 = 132 total).
 - This reflects an increase compared to first quarter FY09 (1st qtr FY09 = 22 total).
 - Most denials were in the AAPS funding source:
 - AAPS = 99 total or 71.2%
 - Medicaid = 40 total or 28.8%
 - Eighty-three (83) were Administrative denials and fifty-six (56) were Medical Necessity denials.
 - The reason for all Medical necessity denials was “Client did not meet ASAM criteria”.
 - The reason for all Administrative denials was “Administrative denial for timeliness” except for two (2) exceptions. There was one (1) Medicaid administrative denial for “Administrative denial for uncovered Mental Health services” and one (1) AAPS funded administrative denial for “Administrative denial for ineligibility”.
 - Most denials reported (medical necessity and administrative) were in the Kansas City region (39 or 28%).
 - The most administrative denials reported this quarter was in the Northeast region (26 or 31.3%)
 - The most medical necessity denials reported was again in the Kansas City region (21 or 37.5%).
- There were thirteen (13) appeals reported first quarter.
 - This reflects a decrease in appeals from fourth quarter (4th qtr FY09 = 29).
 - Four (4) appeals were upheld statewide and nine (9) appeals were overturned.
- There were no State Fair Hearings requested during this quarter.

Standards:

- Standard for Denial letter notification:
 - **Level III: All of the Level III denial letters met the timeframe (100%), therefore, met standard.**
 - **Other Denials (Level I and II): All other denial letters met the timeframe (100%), therefore, met standard.**
- Appeals:
 - **Appeal time frames were met at 100%, and therefore, met standard for both.**

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Preliminary Recommendations to Committee:

- It is recommended to the Committee that data trending continue.
- It is also recommended that ValueOptions continue to educate the providers on the appeal process and continue to provide focused education and outreach to the provider(s) with highest volume of denials reported.
- As administrative denials reported continue to be high in the Northeast, we recommend VO report verbally to the committee the results of the investigation of the administrative denial percentage in the Northeast and if targeted outreach was needed. **Sheree Marzka reported she had been working with the provider involved and the numbers were dropping.**
- Approval by the Committee is also requested to share this aggregate analysis at the Regional QI meeting and to be posted on the ValueOptions website for public access.

Date Presented to SQC: 11/5/2009

BY: Kim Brown

Recommendations from the Committee for action: Recommendation and changes made by the SQC to the Preliminary Recommendations are noted above in **bold**.

Person Responsible to follow-up and date due: Kim Brown Due: 2/4/2010