

**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: October 1, 2008

TO: December 31, 2008

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

Objectives:

Addiction and Prevention Services State Quality Committee

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:

Addiction and Prevention Services State Quality Committee



Appeals by Funding

Date of Submission:

Reporting Period: October 1, 2008 - December 31, 2008 (2nd Quarter FY09)

Funding Source	Number of Denials	Number of Appeals	Appeals Upheld	Appeals Overturned
Medicaid	12	1	1	0
AAPS	49	6	5	1
Total	61	7	6	1

Total Number of Denials Received in this Reporting Period: 61
 Percentage of Denials Letters sent within 3 days for Level III: 95% (2/43)
 Percentage of Denials Letters sent within 14 days: 100% (0/18)

Total Number of Appeals Received in this Reporting Period: 7
 Percentage of Appeal Letters sent within 14 days: 100%
 Percentage of Appeal Letters sent within 45 days: 100%

There were no State Fair Hearings during this quarter.
 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:

Addiction and Prevention Services State Quality Committee

Appeals by Region

Reporting Period: October 1, 2008 - December 31, 2008 (2nd Quarter FY09)



Region*	DENIALS		APPEALS		APPEAL RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overtured
Kansas City	0	27	0	5	4	1
Wichita	0	10	0	1	1	0
West	0	2	0	0	0	0
Northeast	0	16	0	1	1	0
South Central	0	1	0	0	0	0
Southeast	0	5	0	0	0	0
Total	0	61	0	7	6	1

Total Number of Denials Received in this Reporting Period: 61
 Percentage of Denials Letters sent within 3 days for Level III: 95% (2/43)
 Percentage of Denials Letters sent within 14 days: 100% (0/18)

Total Number of Appeals Received in this Reporting Period: 7
 Percentage of Appeal Letters sent within 14 days: 100%
 Percentage of Appeal Letters sent within 45 days: 100%

There were no State Fair Hearings during this quarter.
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****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.)

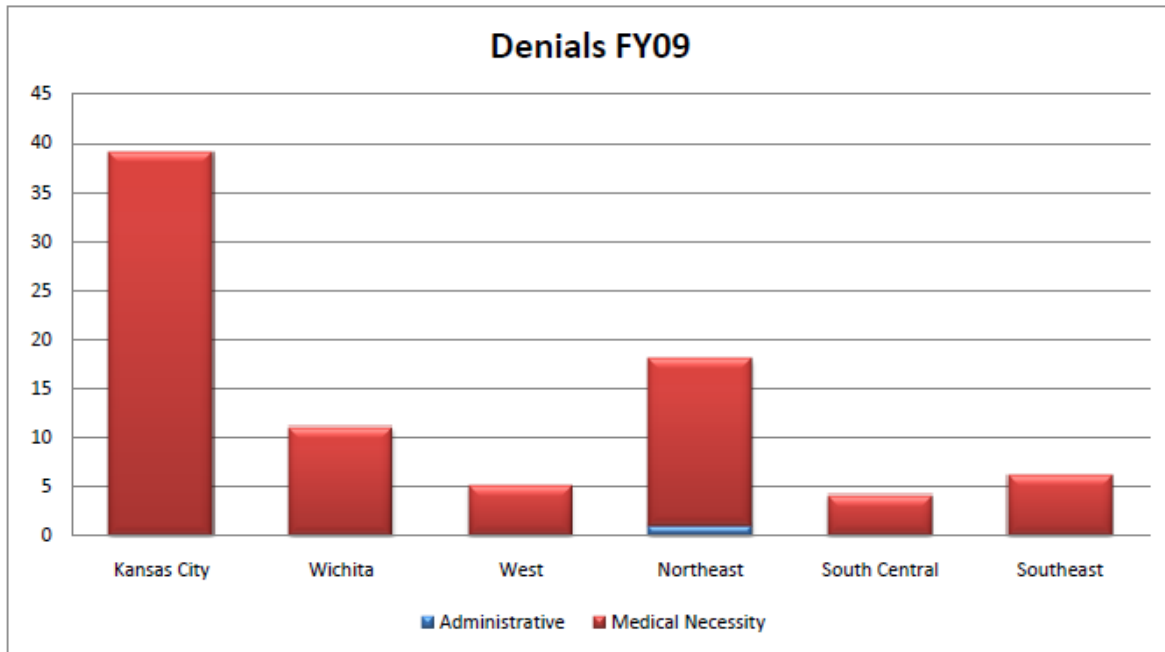
Annual FY 09 Summary Denial Data:

Region	Administrative					Medical Necessity					GrandTotals
	1st	2nd	3rd	4th	Total	1st	2nd	3rd	4th	Total	

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Kansas City	0	0			0	12	27			39	39
Wichita	0	0			0	1	10			11	11
West	0	0			0	3	2			5	5
Northeast	1	0			1	1	16			17	18
South Central	0	0			0	3	1			4	4
South East	0	0			0	1	5			6	6
Total ALL	1	0			1	21	61			82	83

Total Denials for the year to date: 83



Annual FY 09 Summary Appeal Data:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Administrative	0	0			0
Medical Necessity	0	7			7

Total Appeals for the year to date: 7

Conclusions:

Second Quarter FY09:

- There were 61 denials reported second quarter.

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- This reflects an increase in denials from first quarter (1st qtr FY09 = 22 total).
- This also reflects an increase compared to second quarter FY08 (2nd qtr FY08 = 15 total).
- Most denials were in the Block Grant funding source (49 total or 80.3%) which is consistent with past quarters
- All were Medical Necessity denials (100%). The reason for all denials was “Client did not meet medical necessity criteria”.
- Forty-three (43) denials were Level III (70.5%)
- This quarter, most denials reported were in the Kansas City region (27 or 44.3%) which is consistent with last quarter.
- There were seven (7) appeals reported second quarter.
 - This reflects an increase in appeals from first quarter (1st qtr FY09 = 0).
 - Six (6) appeals were upheld statewide and one (1) appeal was overturned in Kansas City.
- There were no State Fair Hearings requested during this quarter.

Standards:

- Standard for Denial letter notification:
 - Level III: Denial letters must be sent within 3 days of the determination (100%).
Two (2) out of forty-three (43) Level III denial letters did not meet the timeframe = 95%. This is slightly below standard.
 - **Other Denials (Level I and II): All eighteen (18) denial letters met the timeframe (100%), therefore, met standard.**
- Appeals:
 - 95% resolved within 14 days receipt of all required documentation;
 - 100% resolved within 45 calendar days;
 - **Appeal time frames were met at 100%, and therefore, met standard for both.**
- It is noted that the standard of 100% resolved within 45 calendar days was corrected on the report by ValueOptions as recommended by the State Quality Committee last quarter.
- It is also noted that Appeals’ disposition (upheld or overturned) is now being reported also as recommended by the State Quality Committee last quarter.
- The standards for both denials/appeals have been further defined and clarified from last quarter’s aggregate analysis (see Goal).

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.
- 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: 2/5/2009

BY: Kim Brown

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State Quality Committee**

Recommendations from the Committee for action: Recommendation and changes made by the SQC to the Data Collection Activities section are noted above in **bold**. Committee concurs with QI recommendations made.

Person Responsible to follow-up and date due: Kim Brown Due: 5/7/2009