

**MEDICAL NECESSITY DETERMINATION**

**Effective Date:** June 19, 2017

**Review Dates:** 12/01, 11/02, 11/03, 11/04, 12/05, 12/06, 12/07, 12/08, 12/09, 12/10, 12/11, 12/12, 12/13, 11/14, 11/15, 11/16, 5/17, 5/18

**Date Of Origin:** December 19, 2001

**Status:** Current

**I. POLICY/CRITERIA**

Medically/Clinically Necessary. The services or supplies needed to diagnose or treat a physical or mental condition. Whether services or supplies are Medically/Clinically Necessary is determined in accordance with Priority Health's medical and behavioral health policies or adopted criteria that have been approved by community physicians and other providers. The determination is made by Priority Health's Medical Director, or anyone acting at the medical director's direction, in consultation with other physicians. Medically/Clinically Necessary mental health and substance use disorder services are determined by Priority Health's Behavioral Health Department.

In order to be considered Medically/Clinically Necessary, the services or supplies must:

- (a) be widely accepted as effective;
- (b) be appropriate for the condition or diagnosis;
- (c) be essential, based upon nationally accepted evidence-based standards;
- (d) cost no more than a treatment that is likely to yield a comparable health outcome; and
- (e) be the most appropriate level of care and site of service which can be safely and reasonably provided.
- (f) In addition, for procedural services the following apply:
  - i. surgically appropriate for the condition or diagnosis based on nationally accepted, evidence-based standards; and
  - ii. personally appropriate following use of a shared decision making process to insure full informed consent; and
  - iii. medically appropriate based on adequate management of medical comorbidities and risk factors for death or complications

The determination of whether proposed care is a covered service is independent of, and should not be confused with, the determination of whether proposed care is Medically/Clinically Necessary.

Determinations of coverage are based on plan documents and Priority Health Medical Policy. Technology reviews, outlined in medical policy 91430, may

include literature reviews, formal technology assessments, and inputs from providers. In the absence of applicable plan documents, medical policy, or technology review, coverage and medical necessity decisions will be based on Medicare coverage criteria when available, and medical director review.

Exclusions, including, but not limited to:

1. Luxury Treatment Programs, as defined below, are excluded from coverage. There is no evidence to support that Luxury Treatment Programs are superior to standard therapy or medically necessary.
2. Programs that utilize interventions that are not based in a federal registry of evidence-based interventions, such as the National Registry of Evidence-based Programs and Practices (NREPP).

**Definitions**

**Luxury Treatment Programs:** Treatment programs which offer resort-style amenities including, but not limited to, spas, health hydros, nature cure clinics, holistic treatment options, resort-style geographic locations such as secluded beach, mountain, or country settings and experiences that are meant to integrate with and go beyond standard rehab activities, such as fine dining, horseback riding, or swimming.

**II. MEDICAL NECESSITY REVIEW**

Required                       Not Required                       Not Applicable

**III. APPLICATION TO PRODUCTS**

Coverage is subject to member’s specific benefits. Group specific policy will supersede this policy when applicable.

- ❖ **HMO/EPO:** *This policy applies to insured HMO/EPO plans.*
- ❖ **POS:** *This policy applies to insured POS plans.*
- ❖ **PPO:** *This policy applies to insured PPO plans. Consult individual plan documents as state mandated benefits may apply. If there is a conflict between this policy and a plan document, the provisions of the plan document will govern.*
- ❖ **ASO:** *For self-funded plans, consult individual plan documents. If there is a conflict between this policy and a self-funded plan document, the provisions of the plan document will govern.*
- ❖ **INDIVIDUAL:** *For individual policies, consult the individual insurance policy. If there is a conflict between this medical policy and the individual insurance policy document, the provisions of the individual insurance policy will govern.*
- ❖ **MEDICARE:** *Coverage is determined by the Centers for Medicare and Medicaid Services (CMS); if a coverage determination has not been adopted by CMS, this policy applies.*
- ❖ **MEDICAID/HEALTHY MICHIGAN PLAN:** *For Medicaid/Healthy Michigan Plan members, this policy will apply. Coverage is based on medical necessity criteria being met and the appropriate code(s) from the coding section of this policy being included on the*

*Michigan Medicaid Fee Schedule located at: [http://www.michigan.gov/mdch/0,1607,7-132-2945\\_42542\\_42543\\_42546\\_42551-159815--,00.html](http://www.michigan.gov/mdch/0,1607,7-132-2945_42542_42543_42546_42551-159815--,00.html). If there is a discrepancy between this policy and the Michigan Medicaid Provider Manual located at: [http://www.michigan.gov/mdch/0,1607,7-132-2945\\_5100-87572--,00.html](http://www.michigan.gov/mdch/0,1607,7-132-2945_5100-87572--,00.html), the Michigan Medicaid Provider Manual will govern. If there is a discrepancy or lack of guidance in the Michigan Medicaid Provider Manual, the Priority Health contract with Michigan Medicaid will govern. For Medical Supplies/DME/Prosthetics and Orthotics, please refer to the Michigan Medicaid Fee Schedule to verify coverage.*

**APPENDIX A**

The following ICD-10 Codes do not support medical necessity and are not covered for commercial (fully-funded and self-funded) and Medicaid plans.

Medical services not covered for these diagnoses include but are not limited to:

- Anesthesia services
- Injections and injectable medications
- Imaging & radiology
- Laboratory and pathology services
- Physician medicine Services
- Surgery & Reconstructive Surgery

F40.10	Social phobia, unspecified	
F43.10 - F43.9	Reaction to severe stress, and adjustment disorders	
F50.8	Other eating disorders	
F51.01 - F51.9	Primary insomnia/Hypersomnia not due to a substance or known physiological condition	
F52.0 - F52.9	Sexual dysfunction not due to a substance or known physiological condition	
F63.0 - F63.9	Impulse disorders	
F65.0 - F65.9	Paraphilias	
F66	Other sexual disorders	
F91.0 - F91.9	Conduct disorders	
F93.0 - F93.9	Emotional disorders with onset specific to childhood	
F94.0 - F94.9	Disorders of social functioning with onset specific to childhood and adolescence	
F98.21	Rumination disorder of infancy	
F98.3	Pica of infancy and childhood	
F98.8	Other specified behavioral and emotional disorders with onset usually occurring in childhood and adolescence	
F98.9	Unspecified behavioral and emotional disorders with onset usually occurring in childhood and adolescence	
G47.29	Other circadian rhythm sleep disorder	
I83.90 - I83.93	Asymptomatic varicose veins of lower extremities	
R37	Sexual dysfunction, unspecified	
R41.83	Borderline intellectual functioning	
R45.0 - R45.850	Symptoms and signs involving emotional state	R45.86 Emotional lability
R45.87	Impulsiveness	
R45.89	Other symptoms and signs involving emotional state	
R46.0 - R46.89	Symptoms and signs involving appearance and behavior	
Z00.8	Encounter for other general examination	
Z02.0 - Z02.9	Encounter for administrative examination	
Z04.6	Encounter for general psychiatric examination, requested by authority	
Z04.8 - Z04.9	Encounter for examination and observation for specified and unspecified reasons	
Z31.0	Encounter for reversal of previous sterilization	
Z31.42	Aftercare following sterilization reversal	
Z31.84	Encounter for fertility preservation procedure	
Z40.8 - Z40.9	Encounter for prophylactic surgery and unspecified	
Z41.1	Encounter for cosmetic surgery	
Z41.3	Encounter for ear piercing	

Z41.8 – Z41.9	Encounter for procedure for purposes other than remedying health state and unspecified
Z42.8	Encounter for other plastic and reconstructive surgery following medical procedure or healed injury
Z46.0 – Z46.89	Symptoms and signs involving appearance and behavior
Z53.1	Procedure and treatment not carried out because of patient's decision for reasons of belief and group pressure
Z55.0 – Z55.9	Problems related to education and literacy
Z56.0 – Z56.9	Problems related to employment and unemployment
Z57.0 – Z57.9	Occupational exposure to risk factors and other contaminants
Z59.0 – Z59.9	Problems related to housing and economic circumstances
Z60.0 – Z60.9	Problems related to social environment
Z62.0 – Z62.9	Problems related to upbringing
Z63.0 – Z63.9	Other problems related to primary support group, including family circumstances
Z64.0 – Z64.4	Problems related to certain psychosocial circumstances
Z65.0 – Z65.9	Problems related to other psychosocial circumstances
Z69.011	Encounter for mental health services for perpetrator of parental child abuse
Z69.021	Encounter for mental health services for perpetrator of non-parental child abuse
Z69.12	Encounter for mental health services for perpetrator of spousal or partner abuse
Z69.82	Encounter for mental health services for perpetrator of other abuse
Z71.89	Other specified counseling
Z72.3	Lack of physical exercise
Z72.6 – Z72.9	Problems related to lifestyle
Z73.0 – Z73.9	Problems related to life management difficulty
Z76.0	Encounter for issue of repeat prescription
Z86.51	Personal history of combat and operational stress reaction
Z86.59	Personal history of other mental and behavioral disorders

In addition, to the above ICD-10 codes, the following do not support Medical Necessity and are Not Covered for Medicaid.

F64.1 – F64.9	Gender identity disorders
L90.5	Scar conditions and fibrosis of skin
L91.0 – L91.0	Hypertrophic scar
Z87.890	Personal history of sex reassignment