Clinical Policy

Health Plan: Molina Healthcare, Inc.	
Approver Name: Dr Karen Babos Title: Chief Medical Officer Signature:  Approval Date: 6/26/17	Policy No. IL-MA-376 Policy Title: Consistency in Applying Criteria for Medical Necessity Review by Medical Directors and Pharmacists Department Name: Clinical Policy and Support Effective Date: 6/26/17
If Required: Approver Name: Enter text here Title: Enter text here Signature: Approval Date: Enter date here	Reviewed and Revised Date: 6/4/18, 2/6/19 Review Only Date: 4/6/20 Supersedes and replaces:

Line of Business:

☐ All

☒ Medicaid

☐ Medicare-Medicaid Programs (Duals)

☐ Health Insurance Marketplace

☐ Medicare

☐ Other: _____

References (s):
NCQA 2015 UM 2 Element C
P&P HCS-CAM-361 CAM Quality Review Departments identified in the policy: Clinical Policy & Support, Pharmacy Oversight Committee:
MHI Clinical Policy Committee, Pharmacy & Therapeutics Committee, Quality Improvement Committee

I. PURPOSE

To evaluate the consistency of medical necessity determinations for Medical Directors and Pharmacists who apply criteria for utilization management activities and to meet applicable regulatory and accreditation requirements.

II. POLICY

Molina Healthcare conducts annual reviews to ensure the consistency of medical necessity determinations for Medical Directors and Pharmacists engaged in utilization management activities. This is accomplished using test cases or a sample of utilization management determination files to evaluate Medical Director and Pharmacist consistent application of criteria or interrater reliability (IRR).

III. PROCESS

On an annual basis, within the first quarter of every year, representative test cases OR sample of utilization management determination mes is used to evaluate IRR.

I. Representative test cases

a) A representative sample of applicable test cases across various clinical scenarios and product lines (Medicaid, Medicare, etc.) encountered during the utilization management review process is administered in either an electronic or paper format.

b) The threshold to pass is set at 85%.

c) Each Chief Medical Officer (CMO), physician leader or pharmacy leader meets with the medical directors or pharmacists for which they have oversight of for administration of the test and reviews the results.

II. Sample of utilization management determination mes

a) Thirty (30) files are selected at random from the monthly medical director or pharmacist audits.

b) Eight (8) of the thirty (30) files are reviewed for compliance using the appropriate criteria (InterQual®, MCG, Medicare National Coverage Determinations, Medicare Local Coverage Determinations, Medicaid criteria, state commercial (e.g., Exchange) criteria, etc.).

   a. If all eight (8) of the files reviewed follow all of the appropriate criteria, then the audit is complete.

   b. If one or more of the initial eight (8) are out of compliance for the appropriate criteria use, then twenty-two (22) additional files are reviewed.

c) If the first eight (8) of the files reviewed follow all criteria, then the score is 100%.

d) If a total of thirty (30) files are reviewed due to the first eight (8) being non-compliant, then the goal score should be 90% or twenty-seven out of thirty (27/30) files were correct.

   1. Any score less than 90% for staff requires a corrective action plan attached to the results.

IV. DEFINITIONS

N/A

Signature: _____

Date: _____