

# Medicaid 1115 Transformation Waiver: Initiative 3 Medical Necessity Criteria

May 10, 2016



# Medical Necessity – State Plan & WAC

## **WAC 182-500-0070 &**

### **State Plan Attachment 3.1-A, Section 13(d):**

“[A] requested service which is reasonably calculated to prevent, diagnose, correct, cure, alleviate or prevent worsening of conditions in the client that endanger life, or cause suffering or pain, or result in an illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction. There is no other equally effective, more conservative or substantially less costly course of treatment available or suitable for the client requesting the service. For the purposes of this section, ‘course of treatment’ may include mere observation or, where appropriate, no medical treatment at all.”



# Who can establish medical necessity?

Examples:

- Physician/clinician
- Registered Nurse Practitioner
- Mental Health Professional
- Licensed Clinical Social Worker (LCSW)
- Chemical Dependency Professional

*The justification for medical necessity must be within the clinician's scope of practice (an LCSW could not determine the medical necessity of heart surgery).*



# Proposed Criteria

## Medical Necessity Criteria

- Inability to live in an independent or family setting without support
- At risk of serious harm to self or others
- Dysfunction in role performance
- Risk of deterioration

*BHO benefit will still use Access to Care Standards. AL TSA benefit will use CARE criteria.*



## Proposed Criteria (cont.)

### **Inability to live in an independent or family setting without support:**

- Neglect or disruption of ability to attend to basic needs.
- Inability to participate, remain engaged, or respond to less intensive services.
- At risk of requiring care in more restrictive settings.



## Proposed Criteria (cont.)

### **At risk of serious harm to self or others:**

- Individual is seriously disruptive to family and/or community resulting in arrest, incarceration, hospitalization or other confinement intended to protect self or others from harm.
- Suicide attempt or suicidal ideation.



## Proposed Criteria (cont.)

### **Dysfunction in role performance:**

- Frequently disruptive or struggling in work or school/training settings, resulting in termination or suspension/expulsion.
- Unable to work, attend school, or meet other developmentally appropriate responsibilities.
- Difficulty with daily living, communication, interpersonal skills, self-care and self-direction.



## Proposed Criteria (cont.)

### **Risk of deterioration:**

- Persistent or chronic factors such as social isolation, poverty, or extreme chronic stressors.
- Documented inability to sustain involvement in needed services.
- Care is complicated and requires multiple providers.
- Any gains in functioning have not solidified or cannot be maintained without treatment and/or supports.





# Medical Necessity & Supportive Housing

- Balancing requirements with the realities of service engagement.
- Flexibility under consideration:
  - Establishing medical necessity in absentia and/or using telehealth tools.
  - Contracting out necessary clinical expertise.



# Medical Necessity and Payers

- Establishing medical necessity is one part of the process.
- MCOs must also agree that a service is necessary.
- Documenting your assessment and engaging with MCOs will be important.

Questions?

For more information, contact:

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