



<b>Policy Title</b>	Medical Necessity Guidelines for Coverage Determination
<b>Policy Department</b>	Utilization Management
<b>Effective Date</b>	2/18/2023
<b>Revision Date(s)</b>	1/3/23

**Disclaimer:**

Clover Utilization Management applies CMS criteria and guidelines, National Coverage Determinations (NCD), Local Coverage Determinations (LCD), Clover Policies, and MCG for determining medical necessity. Clover Policies are intended to provide a standard guideline but are not used to preempt providers' judgment in rendering services. Providers are expected to provide care based on best practices and use their medical judgment for appropriate care.

**Purpose:**

The purpose of this Policy is to provide guidance regarding the application of Medicare CMS policy for medical necessity determination of medical services provided by the Clover Plan. CMS requires that Medicare Advantage (MA) Plans provide the same medical benefit as Original Medicare to MA members for medical services specifically addressed by CMS. This policy establishes the hierarchy of application of CMS policy documents to ensure the decision making process is based on accurate and consistent review of CMS policies. This policy establishes a process for evidence-based review and medical necessity determination of services not addressed by CMS policy. In addition to ensuring all Clover staff utilize the appropriate hierarchy, quality and remediation reviews will be accomplished by Clover internal reliability and monthly MD Quality Assurance reviews.



**Policy:**

UM Medical Necessity Guidelines for appropriate Medical Coverage Determination for all Clover Health lines of service.

**Definitions:**

- **CMS (Centers for Medicare and Medicaid Services):** The Centers for Medicare & Medicaid Services (CMS) is a federal agency within the United States Department of Health and Human Services (HHS) that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards.
- **Denial Rationale:** If the medical review determines the medical necessity was not met, a rationale is written to identify the denial reason and the reference used in the decision making
- **Internet Only Manual (IOM):** The Internet-only Manuals (IOMs) are a replica of the Agency's official record copy. They are CMS' program issuances, day-to-day operating instructions, policies, and procedures that are based on statutes, regulations, guidelines, models, and directives. The CMS program components, providers, contractors, Medicare Advantage organizations and state survey agencies use the IOMs to administer CMS programs. They are also a good source of Medicare and Medicaid information for the general public.
- **National Coverage Determination (NCD):** a decision by Medicare and their administrative contractors that provide coverage information and determine whether services are reasonable and necessary. These guidelines apply across the United States wherever Medicare provides health coverage.
- **Medicare Administrative Contractor (MAC):** a network of private organizations contracted with CMS that carry out the administrative responsibilities of traditional Medicare (Parts A and B). The network is awarded a geographic jurisdiction to provide administrative functions for Medicare Part A and Part B beneficiaries. MACs are multi-state, regional contractors.

- **Local Coverage Determination (LCD)**- a decision by Medicare and their administrative contractors that provide coverage information and determine whether services are reasonable and necessary. These guidelines apply only to the areas of the country which the local Medicare Administrative Contractor, who author/adopts the LCD, has jurisdiction over.
- **Local Coverage Articles (LCA)**: Local Coverage Articles are a type of educational document published by the Medicare Administrative Contractors (MACs). Articles often contain coding or other guidelines that are related to a Local Coverage Determination (LCD).
- **National Guidelines/Evidence Based Guidelines**: The clinical practice guideline contains systematically developed statements that include recommendations, strategies, or information that assists physicians and/or other health care practitioners and patients make decisions about appropriate health care for specific clinical circumstances.
- **Medical Exigency**: The medical exigency standard requires a plan and the independent review entity to make decisions as “expeditiously as the enrollee’s health condition requires.”
- **Medical Necessity** - items and/or services that are reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member
- **Medical Records**: A medical chart is a complete record of a patient's key clinical data and medical history, such as demographics, vital signs, diagnoses, medications, treatment plans, progress notes, problems, immunization dates, allergies, radiology images, and laboratory and test results.



**Procedure:**

- Clover Health makes coverage determinations in accordance with all current evidence of coverage, CMS internet only manuals & CMS National Coverage Determinations (NCD) and Local Coverage Determinations (LCD/LCA). When no CMS coverage manual, NCD, or LCD/LCA, exists, then nationally recognized evidence-based guidelines must be applied to the medical necessity review.
- CMS NCDs, and LCD/LCAs are subject to change. Clover Health applies the most current versions of the NCDs, and LCD/LCAs in making coverage determinations. Providers are responsible for reviewing CMS payment policies and other available CMS guidance. COVERAGE Benefits may vary between groups and contracts. Please refer to the appropriate Evidence of Coverage for applicable benefits/coverage.
- **Clover Health applies the following defined hierarchy for policy determinations:**
  1. Evidence of Coverage (EOC)
  2. CMS Internet only manuals (IOM)
  3. National Coverage Determinations (NCD)
  4. If there is not a NCD, Clover will use the applicable MAC REGION Local Coverage Determinations (LCD/LCA)
  5. If there are no CMS guidelines for the requested service, Clover Health will apply Nationally recognized Guidelines and evidenced based Clover policies.
- **Medical Necessity Criteria Quality Control:** Monthly quality controls will occur to check for adherence to the Clover Health hierarchy Medical Necessity review.
- **Medical Necessity Criteria Remediation:** Clinical Team Members who fail to adhere to the medical necessity hierarchy will be coached and placed on a corrective action plan when deemed as necessary.

**References**

[Medicare Coverage Determination Process](#)

[CMS IOM 100- 02, Medicare Benefit Policy Manual](#)

