

Medically Necessary

Policy Number: AD0125

Definition:

As defined in NC General Statute 58-50-61(a) (12), "Medically necessary services or supplies" means those covered services or supplies that are:

- a. Provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease.
- b. Except as allowed under G.S. 58-3-255, not for experimental, investigational, or cosmetic purposes.
- c. Necessary for and appropriate to the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms.
- d. Within generally accepted standards of medical care in the community.
- e. Not solely for the convenience of the insured, the insured's family, or the provider.

Coverage:

The fact that a doctor may prescribe, order, recommend, or approve a service or supply does not, in and of itself, make it a covered service or medically necessary, even though it is not specifically listed as an exclusion. Only the Member's medical condition is considered when deciding which setting is medically necessary.

The Plan will provide coverage for medically necessary services when it is determined that the medical criteria and guidelines shown below are met.

The following criteria are the basis for the Plan's determination that a service or supply is medically necessary.

1. The service or supply must be provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease.
2. The service or supply must not be experimental, investigational, or cosmetic in purpose. See Note below.
3. It must be necessary for and appropriate to the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms.
4. It must be within generally accepted standards of medical care in the community.
5. It must not be solely for the convenience of the insured, the insured's family, or the provider.

Only medically necessary services are eligible for coverage.

For medically necessary services, the Plan may compare the cost-effectiveness of alternative services or supplies when determining which of the services or supplies will be covered.

NOTE: Notwithstanding criterion 2. under Coverage above, coverage is provided for eligible clinical trials for treatment of life-threatening conditions; see Medical Policy SU0190, Experimental and Investigational Procedures for specifics regarding this coverage.

Approval Procedures:

See Approval Procedures in the medical policy related to the specific type of service or supply.

The Plan may review any service/supply for which payment by the Plan is requested for medical necessity based on the above criteria.

Limitations and Exclusions:

1. Services that are not deemed medically necessary are non-covered; i.e., any procedure, service or supply that does not meet criteria above.

2. This policy does not apply to services that are specifically excluded by the State Health Plan (e.g. dental services that are not related to accidental injury, hearing aids) even if they may be construed to be medically necessary per the above definition.
3. This policy does not apply to mental health and chemical dependency; Policy AD0430 defines medical necessity for mental health and chemical dependency.

Authority:

G.S. 135-39.5(18)
G.S. 135-40.1(1a)(1b)(17a)
G.S. 135-40.4(a)
G.S. 135-40.5(a)(e)
G.S. 135-40.6(1)(2)(3)(8)
G.S. 135-40.7(5)(16)
G.S. 135-40.7B

Source:

58-50-61(a)12.

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