

July 24<sup>th</sup>, 2003

Mark Moody, Administrator  
Department of Health & Family Services  
P.O. Box 309  
Madison, WI 53701-0309

Dear Mark,

Thank you for your sincere interest in addressing the issue of WI Medicaid Prior Authorization (PA) for therapy services. I believe that yesterday was a "break-through" meeting with the Department. I strongly believe that your support participation was instrumental in making this progress possible. I look forward to further communication with you & the Department on re-engineering the process. We have a unique opportunity to investigate & perhaps "marry" the systems of the private sector with the needs of the Medicaid population. And while, I am not naive enough to believe that we can simply take a blueprint from one & impose it on another- I do believe we can learn from and apply the best of both systems.

Please note my summary to Consumers & Providers below.

"Dear Consumers & Providers,

The Therapy Associations had a meeting with the Department yesterday & Mark Moody, Division Administrator along with staff from Rep. Jeskewicz's office. Much work has been going on "behind the scenes" to bring this meeting about...

I am pleased & relieved to say that the results were positive as follows:

Immediate Relief: - EDS staff & DHFS Consultants will be instructed:  
"If a Prior Authorization (PA) request for continuing therapy meets all criteria of departmental review and standards of medical necessity, the reviewing consultant is to approve the PA request for the duration requested (by the therapist)- up to 6 mos." DHFS DRAFT 7/03

AND: "If the PA request for therapy meets all criteria for Departmental review and standards for medical necessity except standard 9 (Is the most appropriate supply or level of service that can safely and effectively be provided to the recipient") the fiscal agent consultant is to forward the request to the state consultant with a recommendation to modify or deny." DHFS DRAFT 7/03

AND: "Medicaid approved therapy sessions may be used flexibly by the treating therapist to meet the medically necessary treatment needs of the recipient. The quantity used may not exceed the approved quantity or be used beyond the PA expiration date." DHFS DRAFT 7/03

Results: Therapies should be approved for 6 months on PA's if requested by therapist- unless the information demonstrating the need for 6 mos is missing the term "egregious" was used to describe the level of "missing info." This should reduce the number of PAs for most Medicaid recipients seeking medically necessary therapy services.

Therapy frequency can be altered during a PA period (i.e.: Intensives, increase or decrease frequency if client is ill, new equipment is issued, etc.) to optimize use of sessions granted without additional paperwork or delays to consumers.

Important: Therapist's plan on a 6 month PA must reflect 6 mos of goals! If frequency is altered a new MD prescription must reflect the change & daily doc/POC must establish that it is appropriate.

Further discussions also occurred with Mark Moody indicating that the new leadership was very interested in rebuilding the PA process "from the bottom up". He lead off with comments related to the level of concern, complaints and issues raised by consumers, providers & legislators in the areas of PA relative to therapies which are "such a small percentage of the Medicaid budget".

He stated (and I paraphrase)'that ...we are interested in making changes that remove barriers from providers that are trying to provide quality services to WI Medicaid recipients, while maintain or duty to insure quality & be fiscally responsible.'

Additional discussion occurred around the concept of allowing clients with multiple therapies to have the option to coordinate PA's once/twice per year & submit them together as a comprehensive plan. This would lead to better coordination of care for the recipient & family. Pam Hoffman, PT Consultant actually acknowledged that Home Health does this and it would be possible to look at for therapies. Discussion also occurred relative to if it was possible to shift clients from the PA model of utilization review into more of a case management model. Mark instructed the Department staff to contact WI insurers to explore their approach to these issues. Further review of this concept will occur @ the October meeting.

Overall we made more progress than we have made in a long time....

A reason for optimism & celebration!"

Lynn Steffes,PT  
WCDD Medicaid Prior Authorization Project Consultant  
Steffes & Associates