Policy Number:  
N00234

Title:  
NHP/NHIC-Medical Policy Development

Abstract Purpose:  
A Medical Policy (MP) is a Network Health Plan/Network Health Insurance Corporation (NHP/NHIC) internally developed and approved document that provides objective, measurable criteria for making utilization decisions. The policies are based on research and reasonable medical evidence. CMS coverage determinations and rules apply to Medicare Advantage products.

Policy Detail:  

Policy

I. Definition and Purpose: A Medical Policy (MP) is a Network Health Plan/Network Health Insurance Corporation (NHP/NHIC) internally developed and approved document that provides objective, measurable criteria for making utilization decisions. The policies are based on research and reasonable medical evidence. The purpose of a MP is to:

A. Supplement the commercial or CMS utilization criteria used for medical necessity decision making (see NHP/NHIC medical policy: Published Review Criteria);

   1. Medical Policies developed for application to the Medicare Advantage products are not more restrictive than Original Medicare's National Coverage Determinations or Wisconsin's region Local Coverage Determinations.

B. be used in place of the commercial criteria when it may be contrary to the needs of individual members or the local delivery system; or

C. clarify when a service may be considered medically necessary verses an exclusion when that service could be either depending on the situation.

II. Medical Policies are applied in a manner which is responsive to the individual patient needs and to the characteristics of the local delivery system.

III. Identification of the need for a MP may come from multiple sources, (e.g. Care Management (CM) staff, physicians, or other service providers).

IV. A MP may be developed when:

A. no licensed published or CMS criteria meets the current need/situation

B. a Coverage Booklet’s (Certificate of Coverage, Evidence of Coverage, Summary Plan Description or It’s Your Choice booklet) language needs clarification

C. characteristics of the local delivery system vary from the licensed, published criteria. (e.g. Standard criteria states level of care is outpatient setting and local delivery system does not have comparable outpatient service)

V. The Manager of Utilization Management coordinates the MP development process.
VI. All NHP/NHIC initiated and approved technology assessments are considered medical policy, are in the MP format and available to staff for application to service authorization requests. Technology Assessments for services not approved as efficacious are not considered for MP development (See Policy 00238: Technology Assessment)

VII. Network Health Plan/Network Health Insurance Corporation (NHP/NHIC) maintains all medical policies on the Intranet. The policies are available for use by CM staff for application to service authorization requests.

VIII. Medical Policies are considered utilization criteria and require review by and input from appropriate participating practitioner(s) and provider(s) and annual review by the appropriate committees.

IX. Medical Policies are created using the NHP/NHIC standard policy format. Format of MP:
   A. Title: Name of MP
   B. Description: Brief Description of product, procedure, issue.
   C. Medical Indications (criteria) for the procedure, treatment, equipment, etc
   D. Coverage: Under what circumstances does coverage exist
   E. Limitations/Exclusions: Any limitations of coverage or exclusions
   F. Special notes/comments: Any other pertinent information including references

X. Medical Policies are reviewed by the Medical Policy Committee (MPC) which recommends the policies for approval to the Quality Management Committee (QMC) QMC must approve policies for use by Care Management.
   A. NHP/NHIC Medical Director reviews and approves medical policies as a member of the QMC.

XI. Upon QMC approval, Medical Policies are presented to the Medicare Business Operations Committee and the Operations Oversight Committee for informational purposes.

XII. Research and Development: NHP/NHIC routinely uses external expertise for verifying accepted standards of practice and care. Examples of external expert sources include but are not limited to:
   A. Coverage Booklets (Certificate of Coverage (COC), Evidence of Coverage (EOC), Summary Plan Description, It’s Your Choice booklet)
   B. Technology Assessment sources
      1. Those licensed by NHP/NHIC (which may include Blue Cross/Blue Shield TEC Evaluation Center, Hayes, etc)
      2. Those available from other sources (e.g. Government agencies, American Medical Association, etc)
      3. Internal Technology Assessments done at NHP/NHIC
      4. other
   C. On-line Information Searches
   D. Medical Text and Periodicals
   E. Other NHP/NHIC documents
      1. Clinical Practice Guidelines
      2. Utilization Criteria
   F. Professional Organizations
   G. Local Plan Professionals
      1. Physicians
      2. Therapists
      3. DME providers
   H. Other sources

Procedure

- 2 -
I. Organize available data to support the information and conclusions of the MP. 
Required information (pertinent documentation) includes:
A. Description of product, procedure or issue involved
B. Medical Information
   1. Outcomes research
   2. Studies, anecdotal data
   3. Risk/benefit information
   4. Established alternatives
   5. Availability outside of the research setting
C. Statistical considerations when appropriate
   1. number of cases considered
   2. number of requests received
D. Coverage
   1. by other insurance carriers
   2. by re-insurers
E. Patient selection criteria, if applicable
F. Conclusions (rationale for approval, limitation, or disapproval of service in question)
G. References
II. Develop a draft MP and forward to Medical Director, Director of Health Management, and CM staff for review.
III. Forward MP draft to the appropriate participating practitioner(s) or provider(s) and select CM staff for review and feedback.
IV. Present final draft of MP to the MPC.
   A. The MPC reviews and recommends the MP to the QMC for approval.
V. Present the policy to the QMC for approval.
   A. The QMC reviews the MP and considers the approval recommendation.
VI. Present the policy to Medicare Business Operations committee and the Operations Oversight Committee for informational purposes.
VII. Enter the policy into policy software database for intranet availability.
VIII. Send email notice company-wide that a new medical policy has been developed and is available on the Intranet.
IX. Practitioners are notified via the Intranet, mailings or publications as appropriate.

Regulatory Body:
NCQA
CMS

Regulatory Reason:
- UM 2
- Code of Federal Regulations: Sec 422.101 (b)(1)-(2) Sec 422.202(b); Medicare Managed Care Manual: Chapter 4 Benefits and Beneficiary, Section 80.5 Creating New Guidance Chapter 6, Relationships with Providers, Section 20.1 Consultation with Physicians and Subcontracted Physician Groups

Policy Entity:
NHP/NHIC
Policy Discipline:
NHP Health Management
Origination Date:
07-27-1995

Replaces Policy:
P920-711C

Next Review:
07-12-2013

Approval Information:
QMC

Approval Date:
09-13-2012

Policy Subject Matter Expert:
Knaack, Natalie
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Network Health Values:
Justice
Service

Attached Files:
NHP-Medical Policy Template.pdf

Related Policies:
NHP/NHIC-Technology Assessment