

NC Family to Family Health Information Center

*"A beacon for families of children with special
health care needs."*

NC Family to Family Health Information Center
ECAC
907 Barra Row, Suites 102/103
Davidson, NC 28036
Phone: (704) 892-1321
Fax: (704) 892-5028
Parent Information Line: 1-800-962-6817
hic@ecacmail.org
www.ecac-parentcenter.org

Fact Sheet

23

Medical Necessity

Medical Necessity is a term used by insurance providers such as Medicaid to determine if a service or support is needed by a person for medical reasons. Be aware that the definition of Medical Necessity could change from one agency to another. For example, Blue Cross insurance may have a different way to determine what is necessary to meet your medical needs than Medicaid. You always have the right to research the companies policies and guidelines by asking for a copy of their medical necessity policy. Some companies even have it listed on their website. Most of the time, a request for an item will meet Medical Necessity if it is:

- Needed to prevent, diagnose, correct, cure, alleviate or preclude deterioration of a diagnosable condition that threatens life, causes pain or suffering, or results in illness or infirmity.
- Expected to improve an individual's condition or level of functioning.
- Individualized, specific and consistent with symptoms and diagnosis, and not in excess of patients' needs
- Consistent with nationally accepted standards generally recognized by mental health or substance abuse care professionals or publications.
- Not primarily intended for the convenience of the recipient, caretaker, or provider.
- No more intensive or restrictive than necessary to balance safety, effectiveness, and efficiency.
- Not a substitute for non-treatment services provided for the enrichment of a patient's environment such as the provision of custodial or housing services that may otherwise enhance patient wellness.

In other words, medically necessary services are reasonable and necessary for the diagnosis and treatment of a illness.

The Family to Family Health Information Center is a Program of The Exceptional Children's Assistance Center (ECAC) and is affiliated with Family Voices of North Carolina. This fact sheet was developed with funding from the U.S. Department of Health and Human Services, Health Resources and Services Administration, Maternal and Child Health Bureau, Division of Services for Children with Special Health Needs. The NC Family to Family Health Information Center operates under the auspices of grant # H84MC08000.

- All Medicaid services must meet medical necessity
- There must be a current diagnosis reflecting the need for treatment.
- The service must be necessary to meet specific preventative, diagnostic, therapeutic, rehabilitative, palliative (pharmaceutical) or case management needs of the individual person.
(area MH/DD/SAS Medicaid Manual 7/1/89)

Proving Medical Necessity

- Must have a diagnosis (DSM-IV-TR)
- The diagnosis must match the symptoms that are impairing the functional ability of the child
- The child must meet the criteria for the service/treatment that is being requested (Service Definitions)
- The Person Centered Plan must show the need in the interviewing sections as well as in the short/long term goals along with the documentation to prove that the service/treatment is needed and working.

For more Information:

Request a copy of Navigating and Negotiating Mental Health or Developmental Disabilities System Packets.