

Employee Benefits Division Policy Memorandum

Number: Policy Memo 40r1

Date Issued: December 22, 1998

Subject: Experimental or Investigative Procedures/Medical Necessity

PURPOSE:

Determine the carrier differences in designating procedures as experimental, investigative, or medically necessary.

BACKGROUND:

Occasionally Empire Plan carriers have differing corporate positions as to which medical procedures and/or services are considered to be experimental or investigative and therefore not covered under the Empire Plan. Also, Empire Plan carriers may have differing corporate medical necessity criteria for certain medical procedures and/or services. As a result, one carrier might consider a particular medical procedure or service as a covered expense, while another might deny coverage. In cases where Empire Plan carriers do not agree, the carriers will work together to resolve their differences. If the differences cannot be fully reconciled so that the carriers agree, the more liberal determination will prevail.

POLICY:

Experimental/Investigative Procedures

In cases where two or more carriers have potential liability for coverage of a medical procedure or service and the carriers' corporate positions differ, the more liberal interpretation will prevail for procedures identified by any of the involved carriers as experimental or investigative. For example, in cases where one carrier rejects coverage for the procedure as experimental or investigative and another carrier determines that the particular case qualifies for coverage, the more liberal determination will prevail for Empire Plan benefits. Such determinations will be made on a case-by-case basis.

When such a claim is brought to the attention of one carrier (through any of several possible sources, such as predetermination, claims, appeal to the carrier, union, Civil Service, GOER, etc.) and that carrier makes an adverse determination, the carrier will refer the claim to the other involved Empire Plan carriers for review.

Medical Necessity

In cases where two or more carriers have potential liability for coverage of a medical procedure or service and the carriers' corporate positions differ as to medical necessity, the more liberal determination will govern for Empire Plan benefits.

This policy specifically refers only to cases where more than one carrier has a potential claim liability and when the carriers are made aware of the differing determinations regarding coverage through a predetermination, an appeal or other means.