

What is a Prior Authorization?

A **Prior Authorization (PA)** is an approval process used by health plans and Wisconsin Medicaid to decide if a medical service, device or treatment will be covered. It's sometimes called an **authorization request** or **prior approval**. In most cases, health plans and Medicaid approve PA requests based on their decision that the treatment or service is **medically necessary**.

Who is Responsible for Completing a PA?

In most cases the provider supplying the service or equipment, like the medical equipment vendor, doctor or therapist, is responsible for filling out the PA paperwork.

How Do I Know if a PA is Needed or When a New One is Required?

Medicaid or your private health plan will let the provider know when, or if, a PA is needed and when it needs to be renewed. For example, the health plan may approve five therapy visits and require that a new PA be submitted before more visits are approved.

Who Makes the Decision to Approve or Deny the PA Request?

Designated staff members at the Department of Health Services (DHS) review all Medicaid PA requests. Most health plans also have designated staff members who review all PA requests. If reviewers have questions about whether the service is medically necessary, they may send the PA request back to the provider and ask for more documentation or details.

Can Families Influence the PA Process?

Yes! Families can be actively involved in the writing of the prior authorization request. This can help ensure that the PA will include all relevant information and will provide a complete picture of why the service or treatment is needed.

Families can:

- Offer to review the PA for accuracy.
- Offer to provide additional documentation or background information.
- Request letters from other providers or support people who work with the child.

Defining Medical Necessity

The Department of Health Services defines a **medically necessary service** as a service that is required to prevent, identify, or treat a recipient's illness, injury, or disability. In addition, it looks at other requirements, including the **value of the treatment**, and that it meets **medical standards**, does not **duplicate** other treatments or services, is the most **appropriate**, and can be **safely and effectively** provided.

DHS states, "Wisconsin Medicaid reimburses only for services that are medically necessary as defined under [HFS 101.03\(96m\), Wis. Admin. Code.](#)"

"Medicaid may deny or recoup payment if a service fails to meet Medicaid medical necessity requirements."

What Do Health Plans and Medicaid Consider When Reviewing a PA Request?

Reviewers will consider the following:

- If an item or service is medically necessary and appropriate
- How much it will cost
- Whether it is likely to be effective, of high quality and prescribed at the right time for the child
- Whether there is a less expensive or more appropriate alternative
- Whether the provider or recipient has overused or misused services

What are Some Reasons Why PA Requests are Denied?

A health plan or Medicaid may deny a PA request if the provider did not document that it's medically necessary. In other instances, providers who are not familiar with completing PA requests may submit them without all the necessary information. In rare cases, providers might say that something is not covered if they don't want to submit a PA or if the first PA was denied.

Sometimes, without knowing it, providers use the same terms and when they complete a PA that school used in the Individual Education Plan (IEP). To Medicaid, this appears as if they are being asked to pay for the same thing twice, so they will deny the PA due to **duplication of services**.

When Do Families Commonly Run into “Duplication of Services” Denials?

Many families who are seeking physical, occupational or speech therapy services for their children with special needs receive denials from Wisconsin Medicaid due to duplication of services.

When reviewing a PA request for therapy services, Medicaid will likely request a copy of the school IEP to see if your child is already receiving the same therapies or services at school. Medicaid will not cover a service that is already being provided at school or *should be* provided at school. This is especially true because schools bill Medicaid for the therapy services.

What is the Solution?

If the PA is for therapy services, a family can work with the provider to make sure the therapy goals are related to functioning at home and in the community and **not** education or school related.

If Medicaid denies the PA request, the provider can re-submit the PA with additional details or documentation. If this is not successful, a family can **appeal the denial**. See the [Advocates Guide to a Fair Hearing](#) from HealthWatch Wisconsin.

How Can I Get Help?

If you have questions, contact your **Regional Center for Children and Youth with Special Health Care Needs**. To find your Center, go to dhs.wisconsin.gov/cyshcn/regionalcenters.htm or call **800.642.7837**.