



Medical Necessity

Medical necessity is the standard used to evaluate all requests for services.

The Wisconsin Department of Health Services (DHS) says:

Wisconsin Medicaid reimburses only for services that are medically necessary as defined under HFS 101.03(96m), Wis. Admin. Code. Wisconsin Medicaid may deny or recoup payment if a service fails to meet Medicaid medical necessity requirements.

DHS defines a medically necessary service as a service that: Is required to prevent, identify, or treat a recipient's illness, injury, or disability.

A service defined as medically necessary also meets the following standards:

- Is consistent with the recipient's symptoms or with prevention, diagnosis or treatment of the recipient's illness, injury, or disability;
- Is provided consistent with standards of acceptable quality of care applicable to the type of service, the type of provider and the setting in which the service is provided;
- Is appropriate with regard to generally accepted standards of medical practice;
- Is not medically contraindicated with regard to the recipient's diagnoses, the recipient's symptoms or other medically necessary services being provided to the recipient;
- Is of proven medical value or usefulness and, consistent with s. HFS 107.035, Wis. Admin. Code, is not experimental in nature;
- Is not duplicative with respect to other services being provided to the recipient;
- Is not solely for the convenience of the recipient, the recipient's family or a provider;
- With respect to prior authorization of a service and to other prospective coverage determinations made by the Department of Health and Family Services (DHFS), is cost-effective compared to an alternative medically necessary service that is reasonably accessible to the recipient; and
- Is the most appropriate supply or level of service that can be safely and effectively provided to the recipient.

This definition applies to all Medicaid services.

Excerpted from Wisconsin Medicaid All-Provider Handbook; PHC 1300-C, November 2005