

Beacon Comprehensive Behavioral Health Management Policy and Procedure Manual	
Policy Name: Denial and Appeal Overview	Utilization Management
Date: 2-94 Last Reviewed by QI Committee: 4-07, 7-07, 9-07, 9-08, 11-08, 9-09, 10-09, 02-10, 9-10, 9-11 Last Revised by QI Committee: 4-07, 7-07, 9-08, 11-08, 9-09, 10-09, 02-10, 9-10, 9-11	Page: 1 of 2 Policy Number: UM-6

Purpose: To ensure patient rights regarding their benefit, Beacon Comprehensive Behavioral Health Management (Beacon CBHM) reviews for authorization and advises regarding opportunities for appeal whenever a denial of authorization is issued. The following procedure outlines the process for denial and appeal.

Policy:

1.0 Responsibility

- 1.1 Delegated accounts – When the Beacon CBHM contract includes delegation for denial determinations, Beacon CBHM completes the review process, makes determinations, and communicates the decision to members and providers.
- 1.2 Non-delegated accounts – When the Beacon CBHM excludes delegation for denial determinations, Beacon CBHM completes the review process, including Peer Review, and forwards any denial recommendations to the Health Plan Designee, who then reviews and makes denial determination.
- 1.3 Appeal delegation – All Beacon CBHM contracts exclude appeal reviews. Beacon CBHM assists patients and providers in exercising their appeal rights.
- 1.4 Once an authorization has been granted it cannot be rescinded or modified after the provider renders the health care service in good faith and pursuant to the authorization for any reason, including, but not limited to, the plan’s subsequent rescission, cancellation, or modification of the enrollee’s or subscriber’s contract or the plan’s subsequent determination that it did not make an accurate determination of the enrollee’s or subscriber’s eligibility. Beacon CBHM does not reverse authorization decisions for services provided under an approved authorization. Beacon CBHM closes authorizations for future services once a determination of ineligibility or exhaustion of benefits has been made. Benefit termination notification letters are mailed or faxed to the member and provider within one business day following eligibility or benefit determination.

2.0 Peer Review

- 2.1 If during Initial Review, Concurrent Review, or Quality Review a licensed clinician or UM Coordinator determines that medical necessity is not clear for authorization, the Beacon CBHM Medical Director, a Board Certified Psychiatrist with a current unrestricted license to practice in California and appropriate experience, will be consulted. If the Medical Director concurs, prior to issuance of a denial determination or recommendation to the Health Plan Designee, the

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provider will be contacted and offered the opportunity to conduct a telephonic Peer Review with the Beacon CBHM Medical Director or another Physician Advisor within the next 24 hours. If the service request is Urgent Concurrent, authorization will continue until the Peer Review has occurred or the 24 hours expires and a determination is made based upon available clinical information.

- 2.2 Following Peer Review a determination will be verbally communicated to the patient and provider within 24 hours (e.g., authorization, denial, and/or denial recommendation forwarded to Health Plan Designee).
- 2.3 If the provider chooses not to participate in the Peer Review process, a determination will be made based upon clinical information available and verbally communicated to patient and provider within *UM Timeliness Standards. Reference UM-4 “UM Review Process”*.
- 2.4 When a determination is made to recommend or issue a denial and no peer-to-peer conversation has occurred, the provider of service will be given an opportunity to discuss the determination with either the peer making the original determination or a different clinical peer within one business day of request. If this peer-to-peer review does not result in approval, the provider of service and the patient will be informed of their appeal rights.

3.0 Denial Process

Reference UM-6.1 “*Denial Process*”

4.0 Appeals

Reference UM-6.2 “*Appeal Process*”