Managed Care Operations Memorandum
General Operations
MCOPS Memo # 06/2018-012

Date: June 18, 2018

Subject: Utilization Review Criteria Assessment Process (URCAP) – Licensed Proprietary Product (LPP)

To: Physical Health HealthChoices Managed Care Organizations (PH-MCOs) - Statewide

From: Laurie Rock, Bureau Director for Managed Care Operations, Office of Medical Assistance Programs

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Purpose:

To notify the PH-MCOs of the URCAP findings from the Department's review of the 2018 LPPs revision.

Background:

It is the PH-MCOs responsibility to submit annually all LPP's decision making tools, including updates, revisions or changes made to utilization review criteria or policies and procedures so that the Department can review the information prior to implementation.

The Department evaluates all utilization review criteria, including LPP decision making tools, utilized by the PH-MCOs to make determinations of medical necessity under URCAP prior to PH-MCOs implementation of the criteria. All utilization review criteria or different versions of criteria from a licensed proprietary product such as Milliman or Interqual that are currently being utilized but have not been approved by the Department must be submitted to the Department for review and approval under the URCAP. (Department OPS memo 12/2007-08).

Discussion:

Licensed proprietary products contain nationally recognized clinical criteria utilized by the PH-MCOs as a utilization decision-making tool to approve a service or item for a member, but not to deny a service or item. LPPs utilized by the PH-MCOs are reviewed by the Department on an annual basis. All 2018 revisions of Interqual, Milliman Care Guidelines, Optum National cancer guidelines, eviCORE guidelines, were submitted by the PH-MCOs

and reviewed by the Department to ensure updates do not conflict with PA Code, PA regulations, the Health Choices Agreement and/or the HealthChoices definition of medical necessity. PH-MCO utilization management of Pharmaceutical injectable medication is not approvable using LPP decision-making tools. PH-MCO Pharmaceutical injectable medication are required to have an individual policy and submitted to the Prior Authorization Review Panel for approval. All licensed proprietary product revisions/updates that received a "pass" can be implemented into the PH-MCO utilization decision-making tool. The LPP table lists categories and findings by the Department. The LPP table can be found in the Attachment section of this MCOPS memo.

Next Steps:

This information must be provided to all appropriate staff, **particularly Utilization Management Directors and Medical Directors, within the PH-MCO**. Please direct questions to the Clinical Operations Unit Supervisor at 717-772-6300.

The Department "pass" of a LPP utilization review criteria does not represent an endorsement by the Department that these criteria can be used to justify or reach a utilization decision that may conflict with any State or Federal Medical Assistance Regulation or Law.

Obsolete:

This MC OPS Memo will remain in effect until further notice.

Attachment:

2018 MCO LPP
EXCEL TABLE.xlsx