



## Medical Necessity

**Effective Date:** 07/20/2006

**Date of Approval by Committee:** 06/04/2020

**Date Updated in Database:** 11/13/2024

Health Net's National Medical Advisory Council (MAC) has provided clarification of terms used in its medical policies for investigational or experimental and not medically necessary and not investigational. Health Net medical policies are reviewed annually and revised to better clarify whether services are investigational or **medically necessary**. This clarification should enable providers to more quickly determine whether a service is considered investigational and, therefore, submit the request for a proposed service timely to Health Net for utilization management (UM) review and determination, based on the terms of the provider's contract.

These definitions do not apply to Medi-Cal or Medicare Advantage (MA) plans. Health Net follows the California Department of Health Care Services (DHCS) and Centers for Medicare and Medicaid Services (CMS) definitions, respectively, for those members.

### PURPOSE OF HEALTH NET MEDICAL POLICIES

Medical policies provide guidelines for determining medical necessity for specific procedures, equipment and services. All services must be medically necessary to be eligible for benefit coverage, unless otherwise defined in the member's benefits contract. The determination for coverage is also based on all of the terms of the individual member's benefits contract, including, but not limited to, eligibility at the time of service and description of covered benefits, limitations and exclusions. In some cases, a legal mandate may be applicable and may prevail over medical policy. To the extent there are any conflicts between medical policy guidelines and applicable benefit contract language, the benefit contract language prevails. Medical policy is not intended to override the health insurance policy that defines the member's benefits, nor is it intended to provide medical advice or dictate to providers how to practice. If required, prior authorization must be obtained before services are rendered.

### DEFINITIONS

#### **Medically Necessary**

Except where state or federal law or regulation, or members' health benefit contracts require a different definition, Health Net applies the following definition of medically necessary:



Health care services that a physician or other healthcare provider, exercising prudent clinical judgment, would provide to a patient for the purpose of preventing, evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are:

1. In accordance with generally accepted standards of medical practice;
2. Clinically appropriate, in terms of type, frequency, extent, site and duration.
3. Not primarily for the economic benefit of the health care service plan and subscribers or for the convenience of the patient, treating physician, or other health care provider.
4. For these purposes, "generally accepted standards of medical practice" means standards that are based on credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community or documented physician specialty society recommendations.

### **Investigational or Experimental**

This definition is provided for illustrative purposes only. Consult the applicable health benefit plan contract (member's Evidence of Coverage) for the specific definition of investigational or experimental:

Investigational or experimental is used to describe a service (a medication, biological product, device, equipment, medical treatment, therapy, or procedure) that Health Net has determined is not presently recognized as standard medical care for a medically diagnosed condition, illness, disease, or injury, but which is being actively investigated for use in the treatment of the diagnosed condition, illness, disease, or injury. A service is considered experimental or investigational if it meets any of the following criteria:

1. It is currently the subject of an active and credible evaluation (such as clinical trial or research) to determine:

- Clinical efficacy;

- Therapeutic value of beneficial effects on health outcomes;

- Benefits beyond any established medical based alternative.

2. It does not have final clearance from applicable governmental regulatory bodies, such as the United States Food and Drug Administration (FDA), and unrestricted market approval for use in the treatment of a specified medical condition or the condition for which authorization of the service is requested and is the subject of an active and credible evaluation.

3. The most recent peer-reviewed scientific studies published or accepted for publication by nationally recognized medical journals do not conclude, or are inconclusive in finding, that the service is safe and effective for the treatment of the condition for which authorization of the service is requested.



### **Not Medically Necessary and Not Investigational**

1. Evaluation and clinical recommendations are assessed according to the scientific quality of the supporting evidence and rationale (such as national medical associations, independent panels or technology assessment organizations).
2. A service is considered not medically necessary and not investigational if it meets any of the following criteria:
  - a. There are no studies of the service described in recently published peer-reviewed medical literature.
  - b. There are no active or ongoing credible evaluations being undertaken of the service, which has previously been considered not medically necessary.
  - c. There is evidence in published peer-reviewed medical literature that the service is not effective.
  - d. There are no peer-reviewed scientific studies published or accepted for publication by nationally recognized medical journals that demonstrate the safety or efficacy of the use of the service.
  - e. It is contraindicated.