

1 **10A NCAC 27G .7004 IS PROPOSED FOR AMENDMENT AS FOLLOWS.**

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3 **10A NCAC 27G .7004 APPEALS REGARDING UTILIZATION REVIEW DECISIONS FOR NON-**
4 **MEDICAID SERVICES**

5 (a) This Rule governs appeals by a client, or the client's legally responsible person, ~~made~~ to the Local Management
6 ~~Entity (LME)~~ Entity-Managed Care Organization (LME-MCO) Director of utilization review (UR) decisions made
7 by the LME to deny, reduce, suspend or terminate a client's non-Medicaid funded services.

8 ~~(b) A client may appeal to the LME Director the utilization review decision of a LME to deny, reduce suspend, or~~
9 ~~terminate a non-Medicaid state funded service.~~Repealed.

10 (c) The ~~LME~~LME-MCO shall send to the client or client's legally responsible person ~~legal representative(s)~~
11 notification letters regarding utilization review decisions for non-Medicaid funded services. The letter shall be dated
12 and mailed no later than the next ~~work~~ business day following the ~~review~~ UR decision to deny, reduce, suspend, or
13 terminate a non-Medicaid state funded service. The ~~LME~~LME-MCO shall separately notify the provider regarding
14 the service authorization.

15 (d) The letter shall include information regarding the reason for the UR decision and any available service options
16 ~~or considerations~~ while the appeal is under review.

17 ~~(e) An appeal regarding a non-Medicaid services utilization review decision must be filed only by a client or legal~~
18 ~~representative.~~ Only the client, or the client's legally responsible person, may file an appeal of the non-Medicaid
19 UR decision. The appeal must be in writing and received in writing by the ~~LME~~LME-MCO within 15 ~~working~~
20 business days of the date of the notification letter. The ~~LME~~LME-MCO shall provide help to ~~an appellant~~ a client
21 who requests assistance in filing the appeal.

22 (f) The ~~LME~~LME-MCO shall acknowledge receipt of the appeal in writing in a letter to the ~~appellant~~ client, or the
23 client's legally responsible person, dated the next ~~working~~ business day after receipt of the appeal.

24 (g) The LME may authorize interim services until the final review decision, as set forth in 10A NCAC 27I .0609, is
25 reached.

26 ~~(g1) The LME-MCO Director shall assign staff to conduct a clinical review of the UR decision.~~

27 (h) The clinical review shall be conducted by an employee(s) or contractor(s) of the LME not involved in the
28 ~~utilization review~~ UR decision that is the subject of the appeal. The clinical reviewer(s) clinical credentials shall be
29 at least comparable to those of the person who rendered the initial ~~utilization review~~ UR decision.

30 (i) The clinical reviewer(s) shall ~~complete a clinical review of the appeal and shall~~ issue a written decision to
31 uphold or overturn the original UR decision.

32 (j) The LME shall notify the ~~appellant~~ client, or the client's legally responsible person, ~~in writing~~ of the clinical
33 review decision in a letter dated and mailed within seven ~~working~~ business days from receipt of the appeal request
34 and shall separately notify the provider regarding the service authorization.

35 (k) If the clinical review overturns the initial ~~utilization review~~ UR decision, the decision letter shall state the date
36 on which the denied service shall be authorized or the date on which the suspended, reduced or terminated service
37 shall be reinstated.

1 (l) In cases in which the ~~decision~~ clinical review decision upholds the ~~previous~~ original UR decision, the LME shall
2 inform ~~appellants~~ the client, or the client's legally responsible person, in writing of the opportunity to appeal a
3 ~~decision regarding a non-Medicaid service~~ the clinical review decision to the State Division of Mental Health,
4 Developmental Disabilities and Substance Abuse Services ~~Non-Medicaid Appeals Panel according~~ pursuant to 10A
5 ~~NCAC 27I .0600 and G.S. 143B-147(a)(9)~~. .0600.

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7 *History Note: Authority G.S. 122C-112.1(a)(29); G.S. 143B-147.*

8 *Eff. July 1, 2008;*

9 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 20,*

10 *~~2019-2019~~;*

11 *Amended eff. May 1, 2024.*