

# STATEMENTS OF POLICY

## Title 4—ADMINISTRATION

### EXECUTIVE BOARD

#### [4 PA. CODE CH. 9]

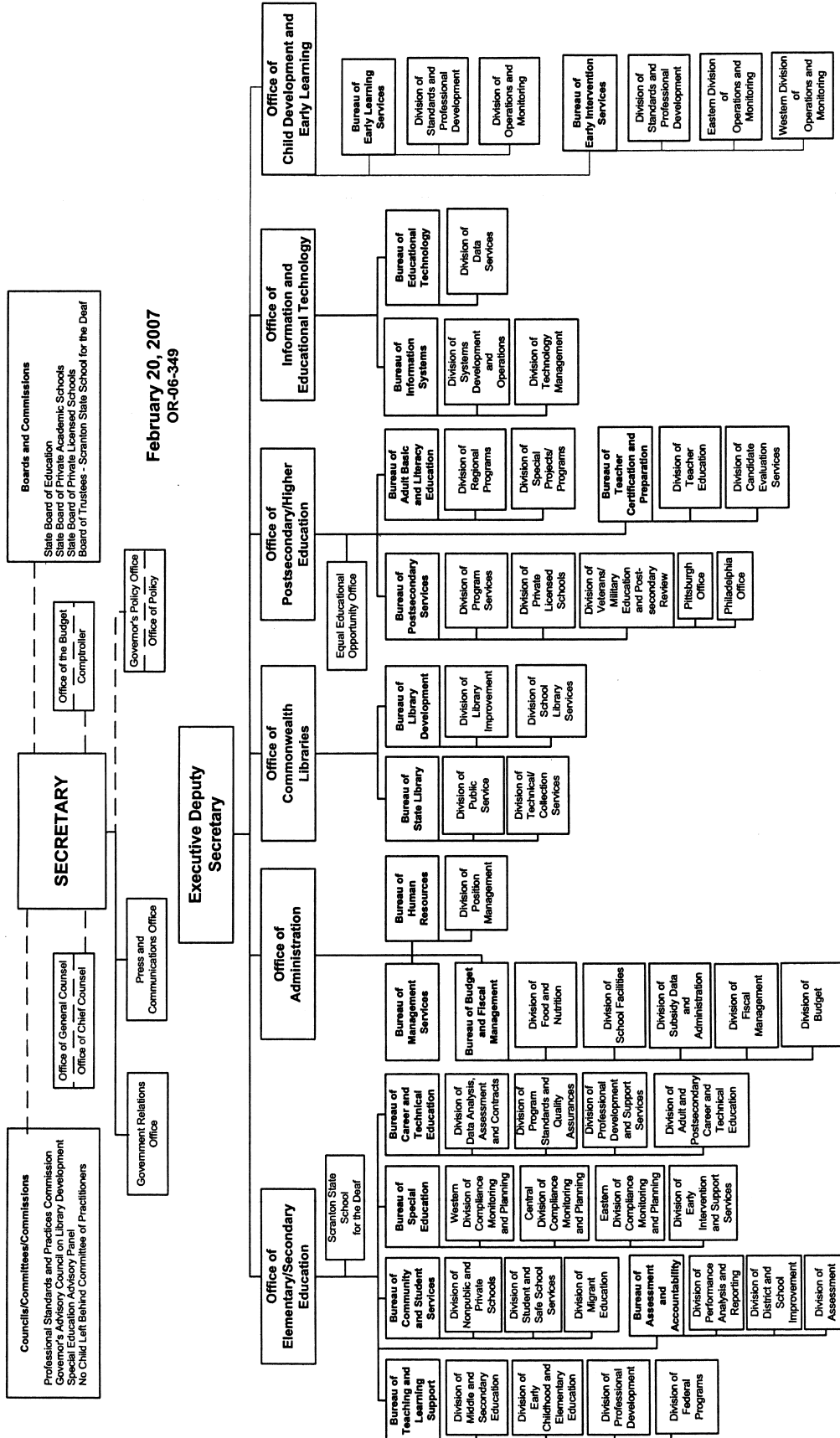
#### Reorganization of the Department of Education and Department of Public Welfare's Office of Child Development and Early Learning

The Executive Board approved a reorganization of the Departments of Education and Public Welfare, Office of Child Development and Early Learning, effective November 21, 2005.

The organization charts at 37 Pa.B. 1871—1879 (April 21, 2007) are published at the request of the Joint Committee on Documents under 1 Pa. Code § 3.1(a)(9) (relating to contents of Code).

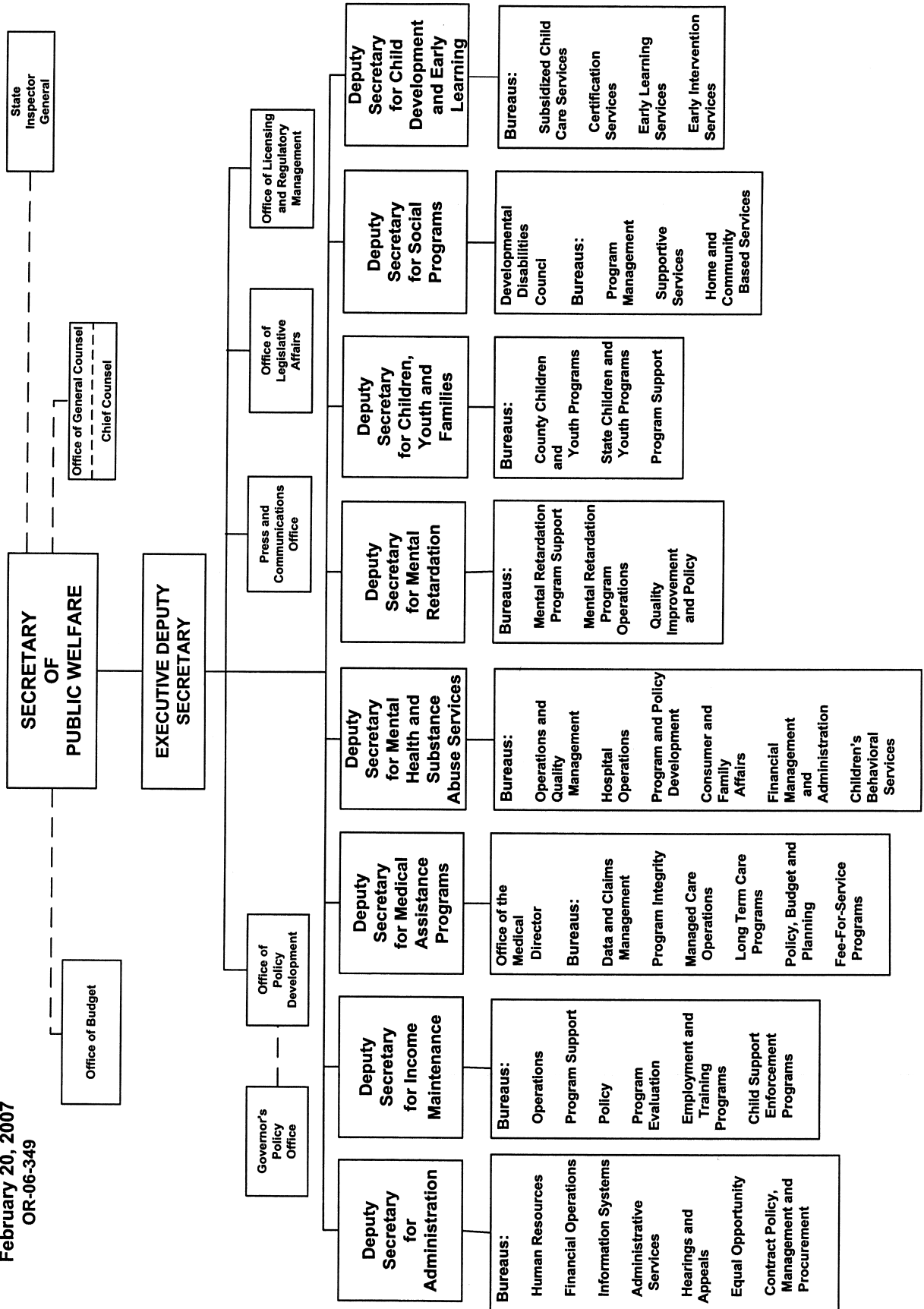
*(Editor's Note: The Joint Committee on Documents has found organization charts to be general and permanent in nature. This document meets the criteria of 45 Pa.C.S. § 702(7) (relating to contents of Pennsylvania Code) as a document general and permanent in nature which shall be codified in the Pennsylvania Code.)*

DEPARTMENT OF EDUCATION



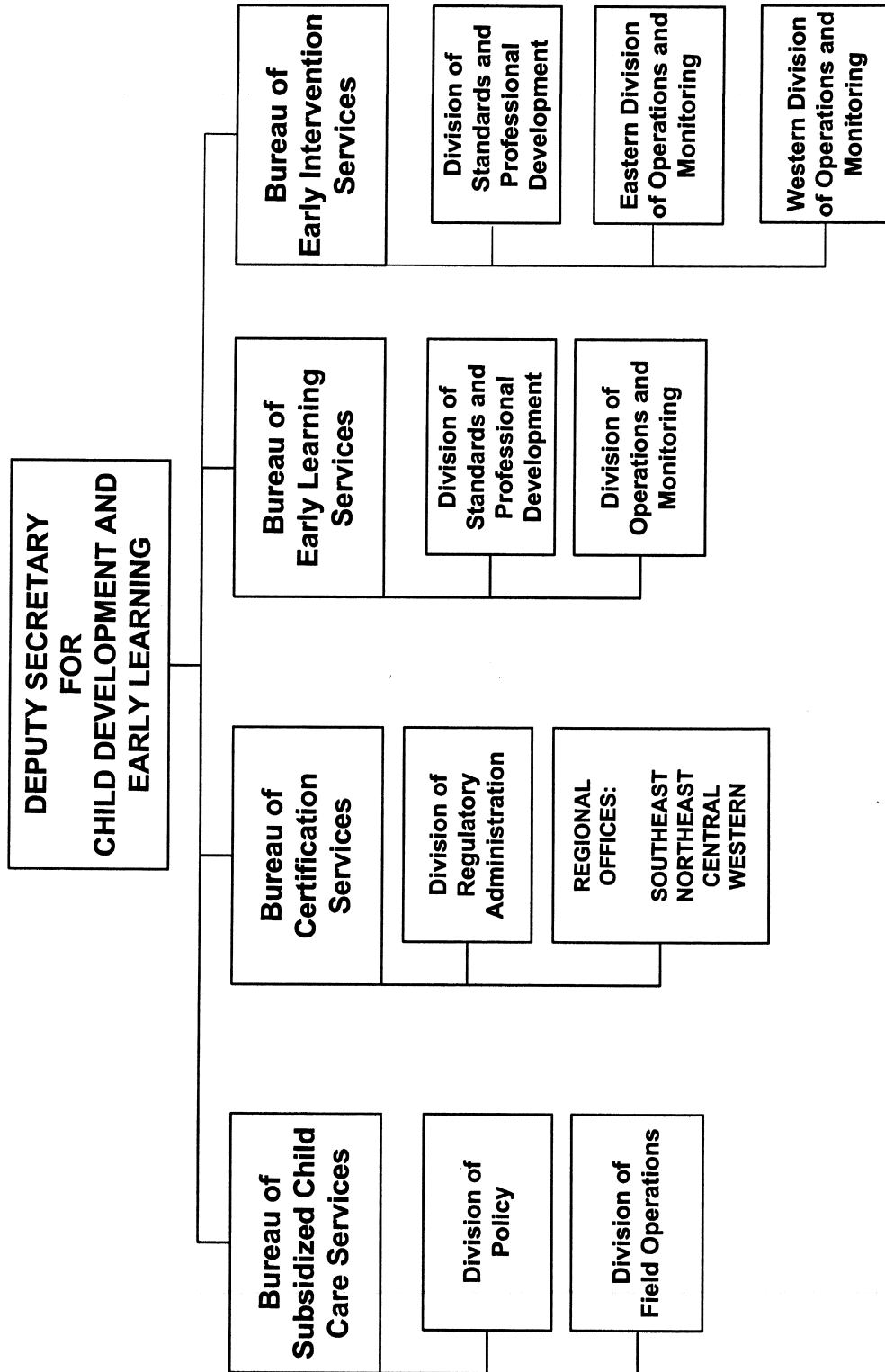
**DEPARTMENT OF PUBLIC WELFARE**

February 20, 2007  
OR-06-349

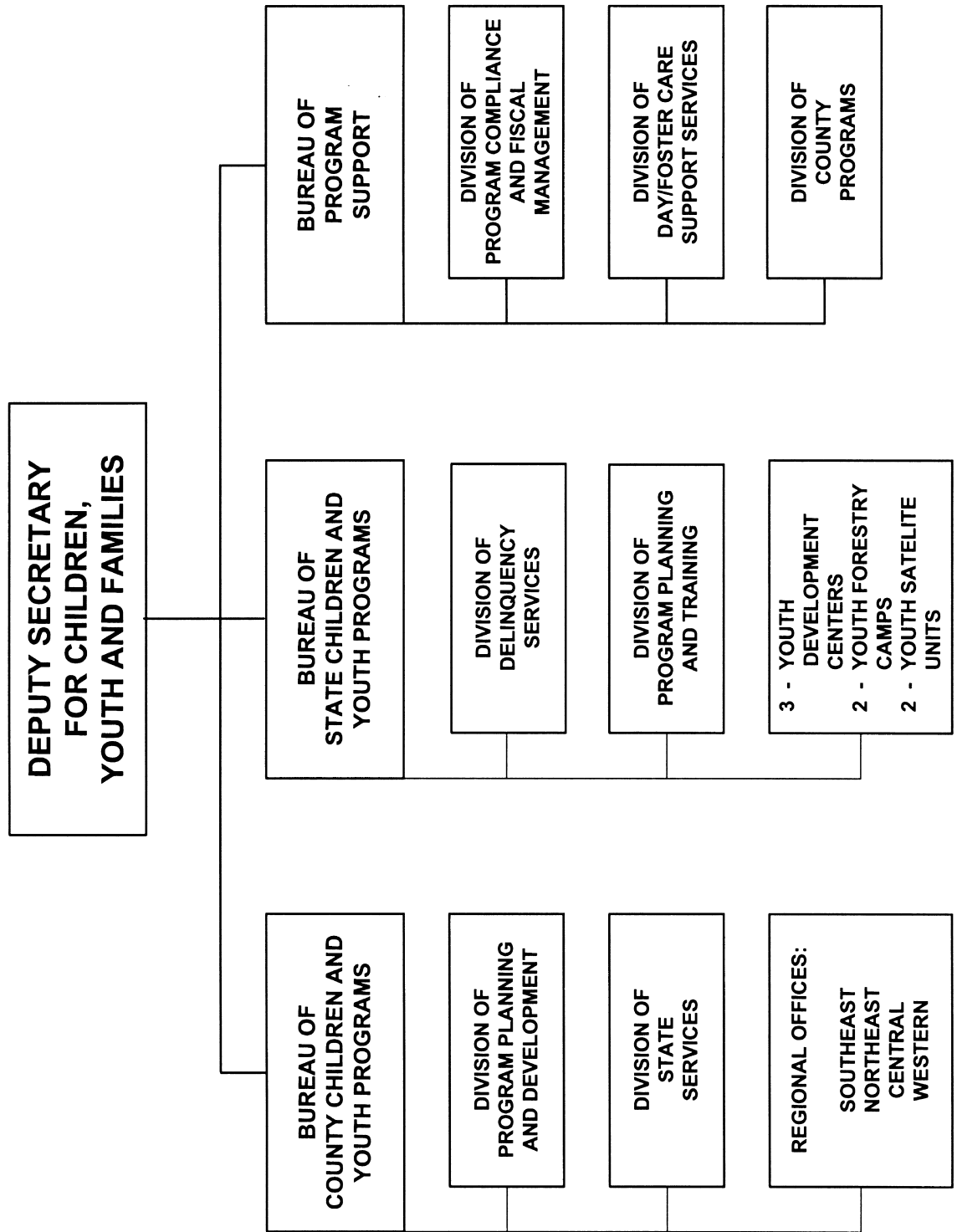


February 20, 2007  
OR-06-349

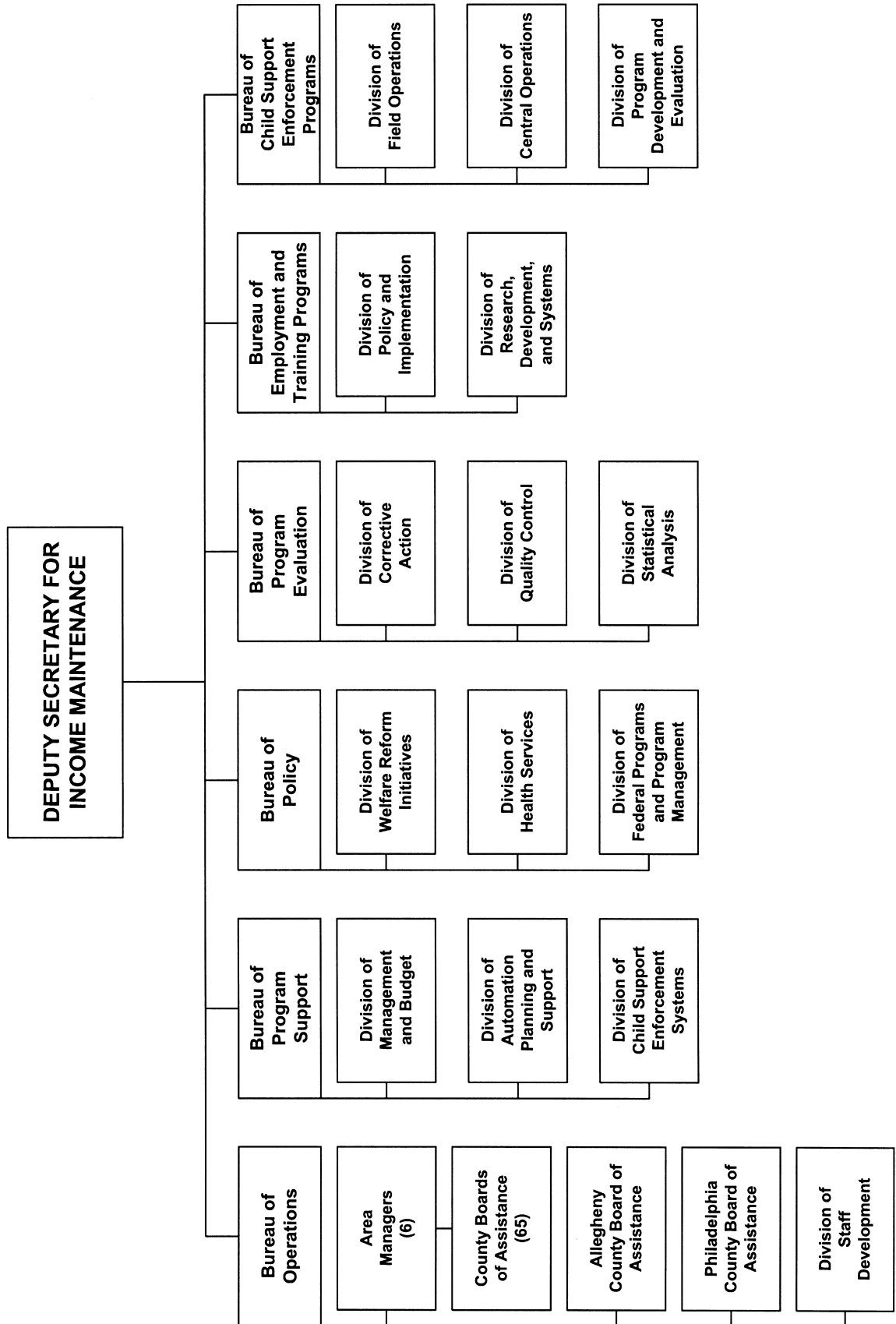
DEPARTMENT OF PUBLIC WELFARE  
DEPUTY SECRETARY FOR CHILD DEVELOPMENT AND EARLY LEARNING



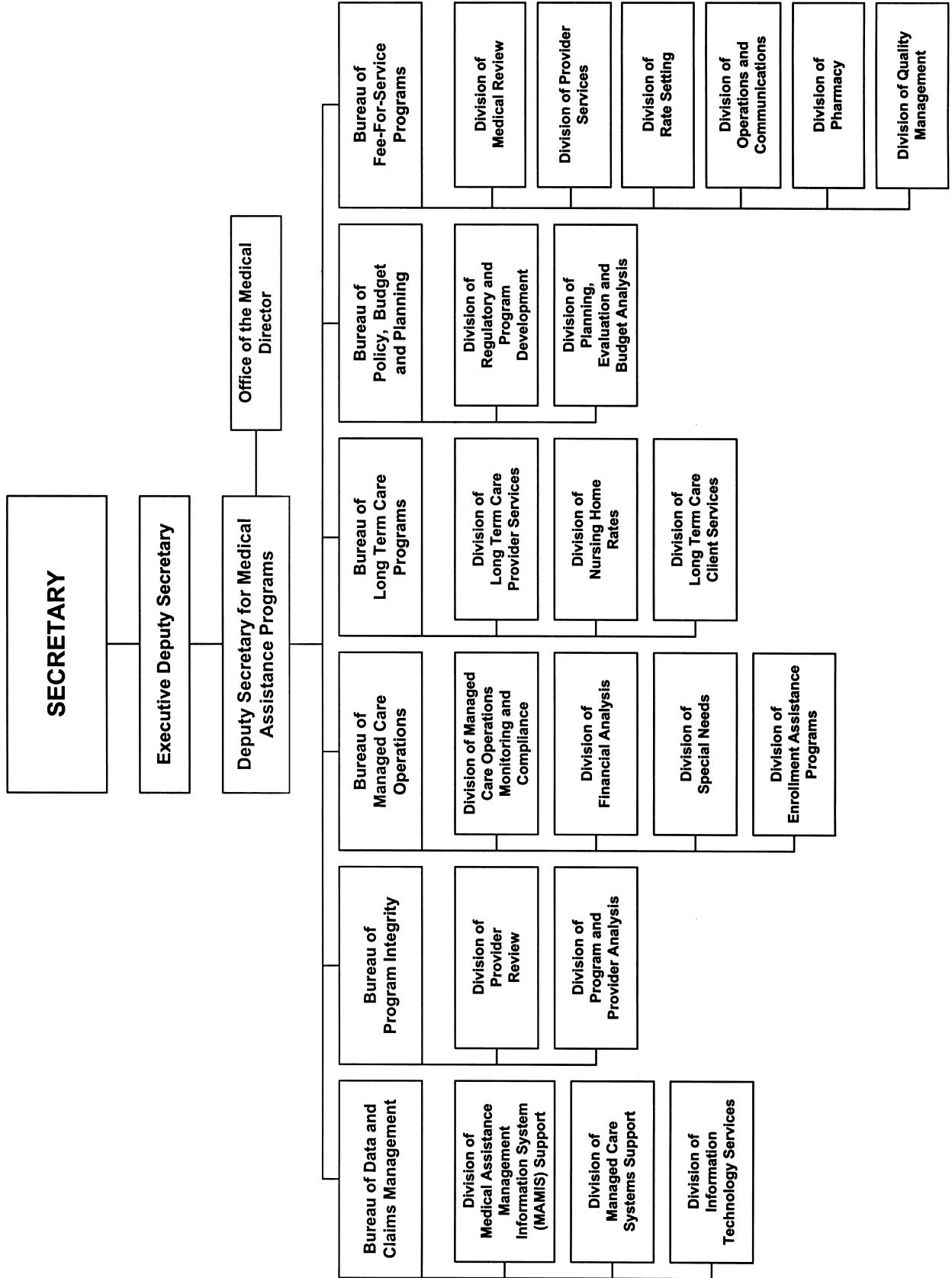
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DEPUTY SECRETARY FOR CHILDREN, YOUTH AND  
FAMILIES**



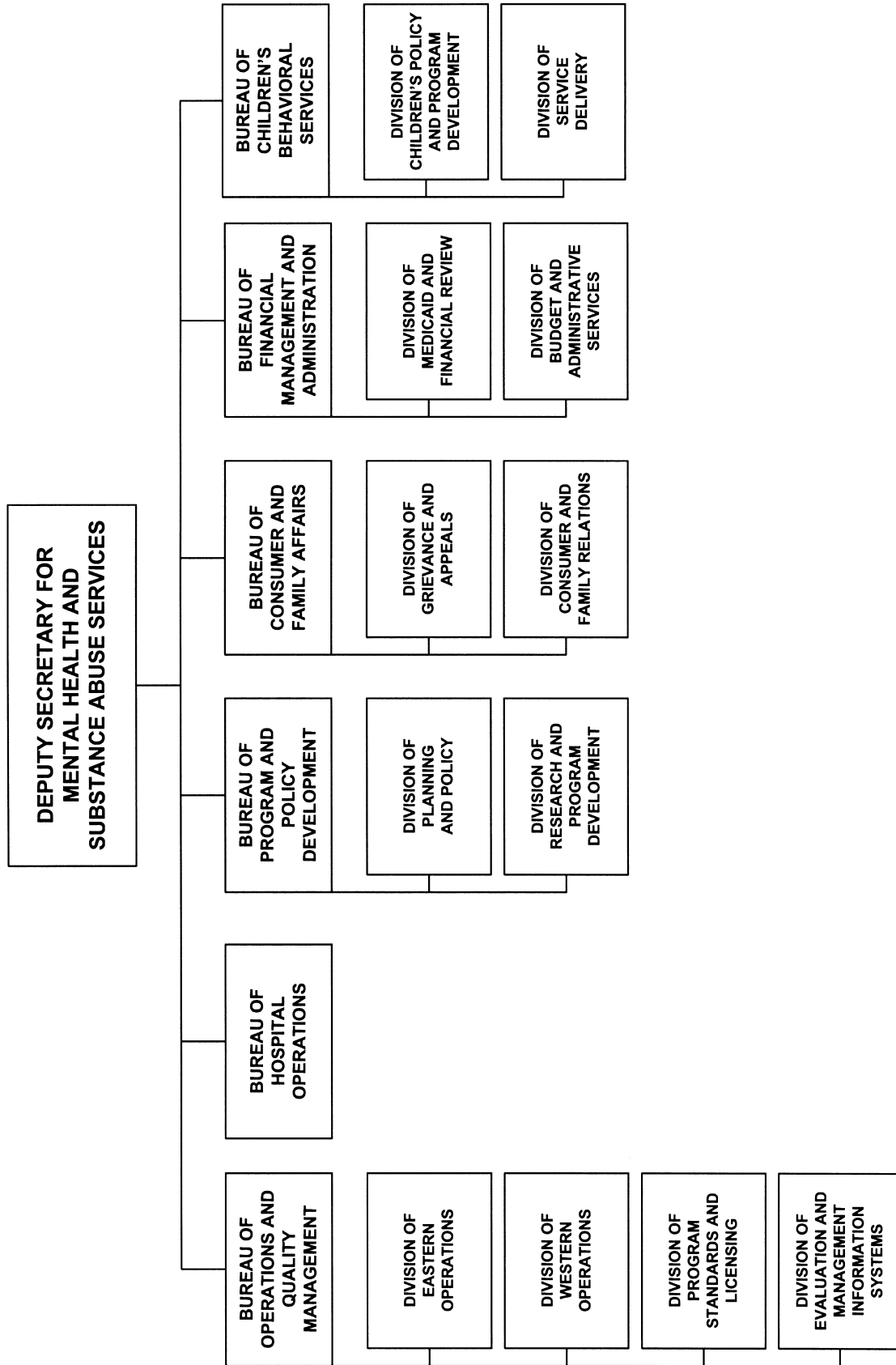
DEPARTMENT OF PUBLIC WELFARE  
DEPUTY SECRETARY FOR INCOME MAINTENANCE



**DEPARTMENT OF PUBLIC WELFARE  
DEPUTY SECRETARY FOR MEDICAL ASSISTANCE PROGRAMS**

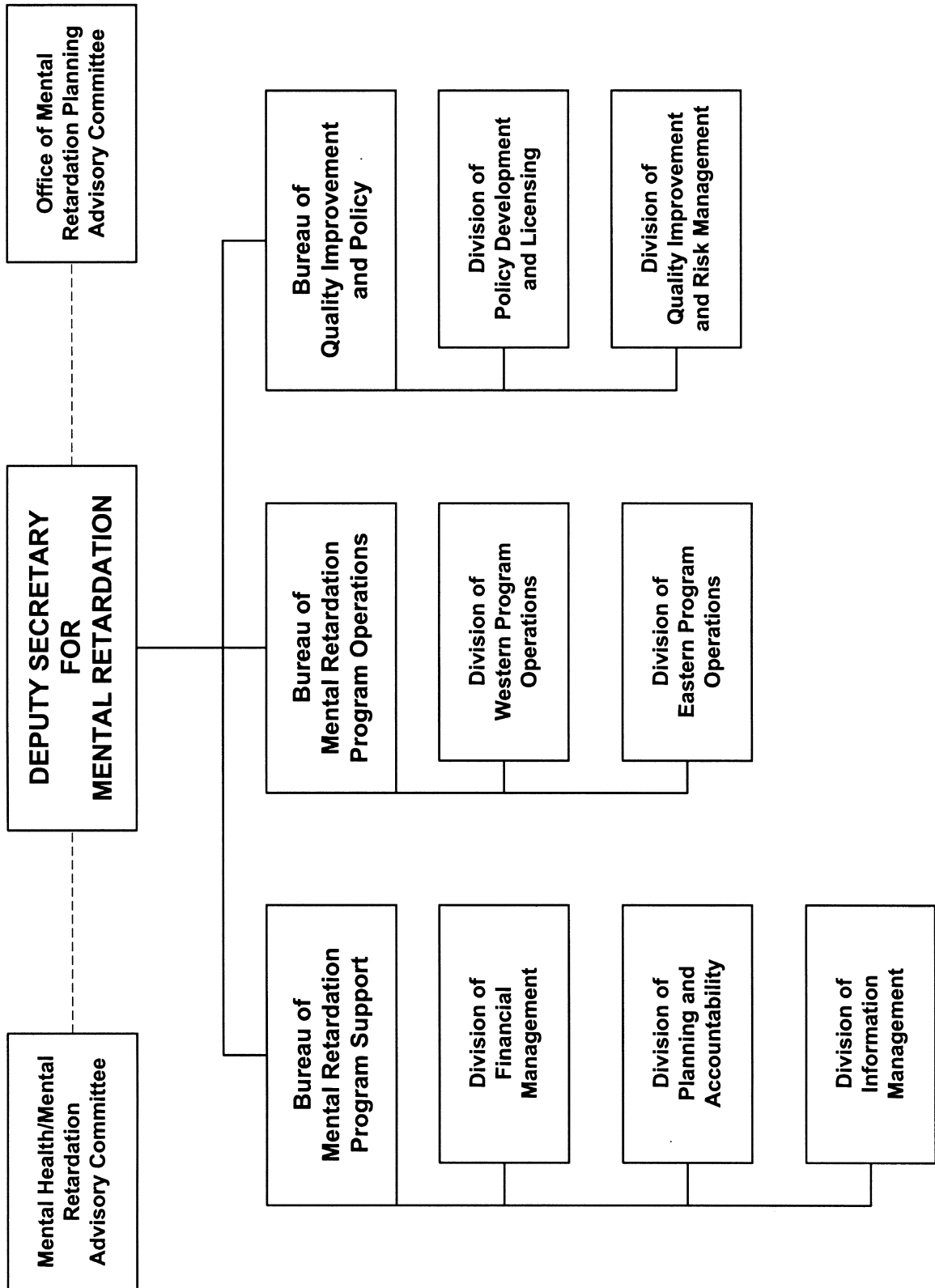


DEPARTMENT OF PUBLIC WELFARE  
DEPUTY SECRETARY FOR MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

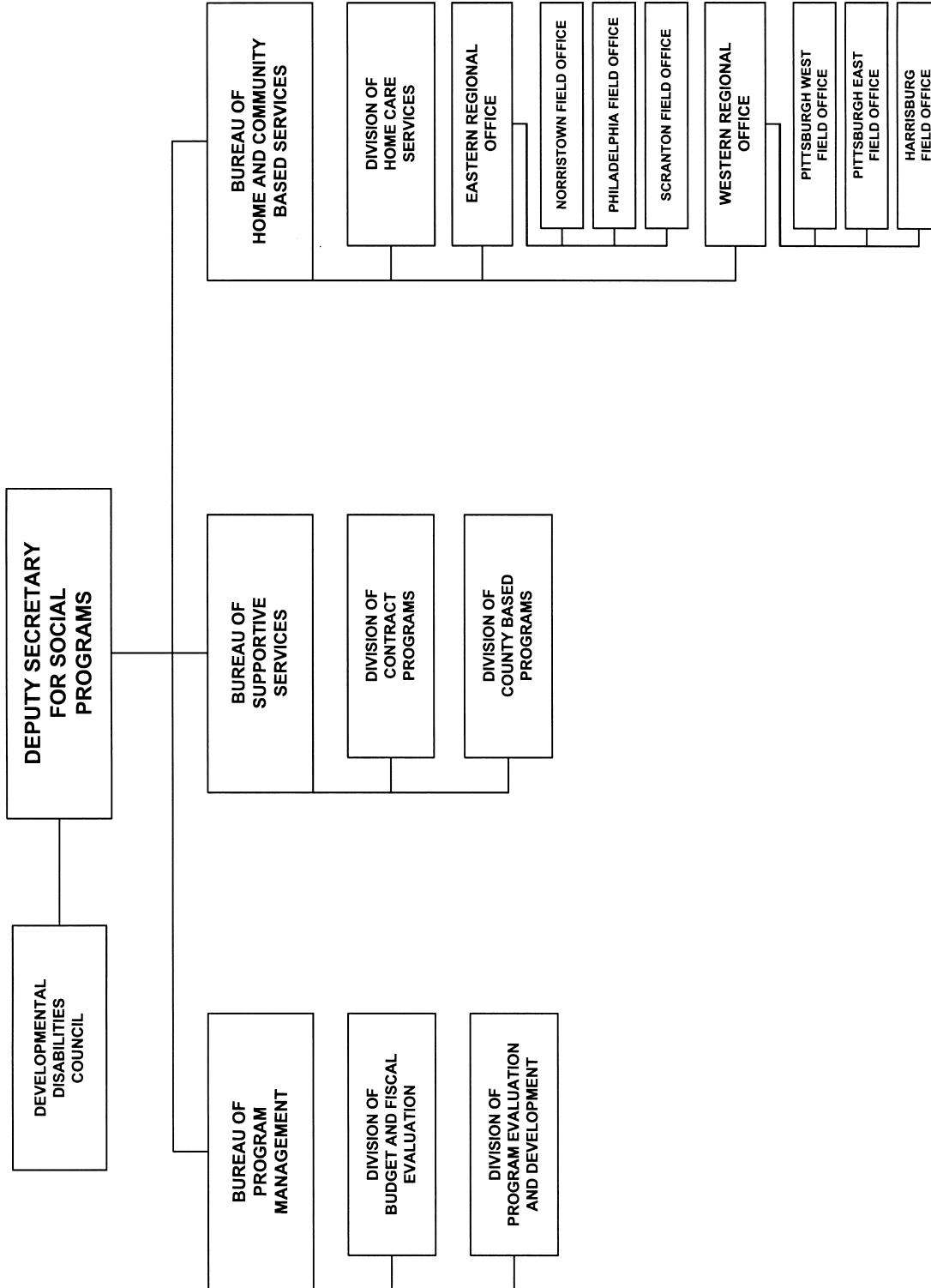




**DEPARTMENT OF PUBLIC WELFARE  
DEPUTY SECRETARY FOR MENTAL RETARDATION**



DEPARTMENT OF PUBLIC WELFARE  
DEPUTY SECRETARY FOR SOCIAL PROGRAMS



[Pa.B. Doc. No. 07-686. Filed for public inspection April 20, 2007, 9:00 a.m.]

# Title 55—PUBLIC WELFARE

## DEPARTMENT OF PUBLIC WELFARE

[55 PA. CODE CH. 1101]

### Clarification Regarding the Definition of “Medically Necessary”

#### Scope

This statement of policy applies to providers enrolled in the Medical Assistance (MA) Program.

#### Purpose

The purpose of this statement of policy is to clarify the definition of “medically necessary” in § 1101.21 (relating to definitions).

#### Background

On February 1, 1997, the Commonwealth implemented the HealthChoices Program, the mandatory managed care program for both physical and behavioral health care services for MA recipients. More than 70% of MA recipients currently receive their physical and behavioral health care through HealthChoices. The remaining MA population is served in the voluntary managed care or the fee-for-service delivery system.

#### Discussion

The Department of Public Welfare (Department) only pays for medically necessary services, items, procedures and levels of care. The definition of “medically necessary” is in § 1101.21. The HealthChoices contract contains a definition of “medical necessity” that uses language that is similar, but not identical, to the language in the regulatory definition of “medically necessary.” Although the language is not identical, the intended meaning is the same. The HealthChoices definition merely clarifies the intent of the regulatory definition.

To assure consistent application of the terms “medical necessity” and “medically necessary” in both the mandatory and voluntary managed care and the fee-for-service delivery systems, the Department is clarifying when a service, item, procedure or level of care is “[n]ecessary to the proper treatment or management of an illness, injury or disability” as required by subparagraph (ii) of the regulatory definition of “medically necessary.”

#### Effective Date

This statement of policy is effective immediately upon publication in the *Pennsylvania Bulletin*.

#### Contact Person

Comments and questions regarding this statement of policy should be directed to the Department of Public Welfare, Office of Medical Assistance Programs, c/o Regulations Coordinator, Room 515, Health and Welfare Building, Harrisburg, PA 17120, (717) 772-6341. The Office of Medical Assistance Programs website is [www.dpw.state.pa.us/omap](http://www.dpw.state.pa.us/omap).

(*Editor's Note:* Title 55 of the *Pennsylvania Code* is amended by adding a statement of policy in § 1101.21a to read as set forth in Annex A.)

ESTELLE B. RICHMAN,  
*Secretary*

**Fiscal Note:** 14-BUL-072. No fiscal impact; (8) recommends adoption.

#### Annex A

### TITLE 55. PUBLIC WELFARE PART III. MEDICAL ASSISTANCE MANUAL CHAPTER 1101. GENERAL PROVISIONS DEFINITIONS

#### § 1101.21a. Clarification regarding the definition of “medically necessary”—statement of policy.

A service, item, procedure or level of care that is necessary for the proper treatment or management of an illness, injury or disability is one that:

- (1) Will, or is reasonably expected to, prevent the onset of an illness, condition, injury or disability.
- (2) Will, or is reasonably expected to, reduce or ameliorate the physical, mental or developmental effects of an illness, condition, injury or disability.
- (3) Will assist the recipient to achieve or maintain maximum functional capacity in performing daily activities, taking into account both the functional capacity of the recipient and those functional capacities that are appropriate of recipients of the same age.

[Pa.B. Doc. No. 07-687. Filed for public inspection April 20, 2007, 9:00 a.m.]