

# Corporate Medical Policy

## Medical Necessity

**File Name:** medical\_necessity  
**Origination:** 9/1999  
**Last Review:** 2/2024

### Description of Service

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This is a medical policy that defines Medical Necessity as adopted by BCBSNC. The term “Medical Necessity” is found in all standard BCBSNC certificates. Definitions for non-standard certificates may vary. As used herein, a service includes, but is not limited to a diagnostic service, procedure, test, treatment, facility, equipment, drug or device.

### Policy

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**BCBSNC will provide reimbursement for services when BCBSNC determines that the medical criteria and guidelines defining “Medical Necessity” are met as described in this Corporate Medical Policy, provided that coverage is available under the Member’s BCBSNC health benefit plan.**

### Benefits Application

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This medical policy relates only to the services described herein. Please refer to the Member's Benefit Booklet for availability of benefits. Member's benefits may vary according to benefit design; therefore member benefit language should be reviewed before applying the terms of this medical policy.

If BCBSNC determines that a Service does not meet the definition of Medical Necessity, it will not be covered.

*The fact that a doctor may prescribe, order, recommend, or approve a service does not, in and of itself, mean that that service meets the definition of “Medical Necessity.” Only the Member’s medical condition is considered when deciding which setting (i.e., inpatient or outpatient) or service is medically necessary.*

**This policy applies to all product lines of business unless otherwise indicated.**

**Note:** BCBSNC does not cover investigational, cosmetic, or other services that do not meet the definition of Medical Necessity and will not reimburse them.

### Definition of Medical Necessity

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**All of the following criteria must be met for a service to be determined to be a Medical Necessity:**

1. Service is provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease, **AND**
2. Service is not for experimental, investigational, or cosmetic purposes except as allowed under North Carolina G.S. 58-3-255, **AND**
3. Service is necessary for and appropriate to the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms, **AND**
4. Service is within generally accepted standards of medical care in the community, **AND**
5. Service is not solely for the convenience of the insured, the insured's family, or the provider.

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For these purposes, “generally accepted standards of medical practice” means standards that are based on credible scientific evidence published in peer-reviewed medical literature that is generally recognized by the relevant medical community, physician specialty society recommendations, and the views of physicians practicing in relevant clinical areas and any other relevant factors.

BCBSNC may compare the cost-effectiveness of alternative services or supplies when determining which of the services or supplies will be covered and/or the setting in which medically necessary services are eligible for coverage.

## Policy Guidelines

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Not Applicable

## Billing/Coding/Physician Documentation Information

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This policy may apply to the following codes. Inclusion of a code in this section does not guarantee that it will be reimbursed. For further information on reimbursement guidelines, please see Administrative Policies on the Blue Cross Blue Shield of North Carolina web site at [www.bcsnc.com](http://www.bcsnc.com). They are listed in the Category Search on the Medical Policy search page.

*Applicable service codes: See procedure code for specific procedure or service.*

BCBSNC may request medical records for determination of Medical Necessity. When medical records are requested, letters of support and/or explanation are often useful but are not sufficient documentation unless all specific information needed to make a Medical Necessity determination is included.

## Scientific Background and Reference Sources

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North Carolina State Senate Bill 932

Medical Policy Advisory Group - 12/99

Medical Policy Advisory Group - 3/1/2001

Medical Policy Advisory Group - 3/2002

Specialty Matched Consultant Advisory Panel - 9/2002

Medical Policy Advisory Group - 10/2003

Medical Policy Advisory Group - 9/2005

Specialty Matched Consultant Advisory Panel - 11/2020

Specialty Matched Consultant Advisory Panel - 11/2021

Specialty Matched Consultant Advisory Panel - 11/2022

Medical Director review 11/2022

Specialty Matched Consultant Advisory Panel - 11/2023

Medical Director review 11/2023

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Medical Director review 2/2024

North Carolina G.S. § 58-50-61. Utilization review.

## **Policy Implementation/Update Information**

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9/99	Original Policy developed.
12/99	Medical Policy Advisory Group
3/01	Medical Policy Advisory Group review. No change in criteria. Approve. System changes.
2/02	Coding format change.
4/02	Medical Policy Advisory Group meeting 3/02. Policy statement revised for clarity.
10/02	Specialty Matched Consultant Advisory Panel review. No change to policy.
10/03	Medical Policy Advisory Group review. Phrase "service or supply" changed to "service, procedure or supply." Added information to Billing and Coding section and Benefit Application section of the policy.
3/04	Policy Number changed from ADM9070 to MED1301.
10/8/05	Medical Policy Advisory Group review on 09/08/2005. No changes to policy coverage criteria.
4/9/07	Policy Number changed from MED1301 to ADM9066.
12/3/07	Changed from "When medical necessity is covered" to "Definition of Medical Necessity". Added reference to clinical trials to the section, "Definition of Medical Necessity". Removed "When medical necessity is not covered" and statement "For any service, procedure or supply that does not meet criteria above." Added the following statement, "Services determined by the Plan to be not medically necessary are not covered." to the "Benefits Application". Policy reviewed 11/7/07 by Senior Medical Director of Provider Partnerships, Medical and Reimbursement Policy.(dpe)
09/28/09	Under the section "Benefits Application", added the following: "Note: BCBSNC does not cover investigational, cosmetic or not medically necessary services and will not reimburse for any services, procedures, drugs or supplies associated with those investigational, cosmetic or not medically necessary services." for clarification purposes. Active policy, no longer scheduled for routine review.
6/22/10	Policy Number(s) removed (amw)
7/1/2014	Policy category changed from <i>Medical Policy</i> to <i>Reimbursement</i> policy. No change to current policy statement. (adn)
7/15/2014	Policy category returned to Corporate Medical Policy. (adn)
11/24/15	Review dates removed from policy header. No change to policy content. (adn)
12/31/18	No change to policy. (an)

# Medical Necessity

- 12/31/19 Updated description to reflect this being a medical policy. Description updated with definition of service. Definition of medical necessity section updated and reworded for clarity in bullets; 1, 2 and 3. Definition of generally accepted standards added. Specialty Matched Consultant Advisory Panel review 11/19/2019. No change to policy statement. (eel)
- 12/8/20 Updated Medical Necessity Definition section to include setting. Medical Director Review. Specialty Matched Consultant Advisory Panel review 11/18/2020 (bb)
- 11/30/21 Medical Director Review 11/2021. Specialty Matched Consultant Advisory Panel review 11/2021. No changes to policy statement. (tt)
- 11/29/22 Medical Director Review 11/2022. Specialty Matched Consultant Advisory Panel review 11/2022. Policy Statement and Benefits Application sections updated for clarity. (tt)
- 12/5/23 Medical Director Review 11/2023. Specialty Matched Consultant Advisory Panel review 11/2023. No changes to policy statement. (tt)
- 2/6/24 Definition of Medical Necessity updated for clarity to align with North Carolina G.S. 58-50-61. Medical Director Review 2/2024. (tt)

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Medical policy is not an authorization, certification, explanation of benefits or a contract. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the group contract and subscriber certificate that is in effect at the time services are rendered. This document is solely provided for informational purposes only and is based on research of current medical literature and review of common medical practices in the treatment and diagnosis of disease. Medical practices and knowledge are constantly changing and BCBSNC reserves the right to review and revise its medical policies periodically.