

How to Write an Effective Letter of Medical Necessity for AHCCCS/ALTCS (Arizona Medicaid) Services

- Goal of Letter:** To explain to health plan
- (1) why patient needs the service
 - (2) consequences if service is not provided
 - (3) that service is “medically necessary”

General AHCCCS Definition of Medical Necessity

Medically necessary services are those covered services that:

- (1) are provided by a physician or other licensed practitioner of the healing arts within the scope of practice under state law
- (2) to prevent disease, disability, or other adverse health conditions or their progression, or prolong life

Arizona Administrative Code (A.A.C.) R9-22-201

For AHCCCS Members Under Age 21–EPSDT Requirements

The Early Periodic Screening Diagnosis and Treatment (EPSDT) provisions of the Medicaid Act require that AHCCCS members under 21 be provided with **all health care necessary to “correct or ameliorate physical and mental illnesses and conditions,”** even if the service is not generally covered for adults. Arizona Administrative Code (A.A.C.) R9-22-213

Contents of Effective Letter of Medical Necessity from Physician:

- (1) Doctor’s or health care professional’s relationship with patient and authority to make recommendation (i.e. credentials)
- (2) Patient’s exact diagnosis
- (3) Duration of Patient’s condition
- (4) Patient’s functional limitations, capabilities and abilities (if applicable)
- (5) Description of the service or item being prescribed
- (6) Why the requested services is **MEDICALLY NECESSARY**, either under the general AHCCCS definition of medical necessity, **or** if the AHCCCS member is under 21, under the **EPSDT** requirements
- (7) How the use of the service or item will allow the patient to function independently and/or improve the patient’s health: e.g. perform tasks in the home, improve patient’s mobility, improve muscle strength
- (8) Anticipated limitations or health problems which can occur if the service is not provided
- (9) An explanation of any other rationale that provides support for the requested service (e.g., safety, cost effectiveness, no other alternative treatment, other treatments/services/medications etc. have been tried and have failed)