



Payors Adopt McKesson's Automated InterQual Molecular Dx System to Avoid Inaccurate Coverage Decisions

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BOSTON — Healthcare information technology provider McKesson announced this week that at least two payors, MVP Health Care and Blue Cross of Idaho, are using its automated decision support system to track which patients under their plans are getting genetically tested, and to gain more clarity on which tests they are reimbursing.

"The purpose of the [InterQual Molecular Diagnostics] Criteria is to reduce the likelihood of inaccurate coverage decisions," Matthew Zubiller, VP of advanced diagnostics management at McKesson, told *Pharmacogenomics Reporter* this week. "The criteria clearly define what evidence is available to support a particular test, and associate medical appropriateness with the patient-specific clinical scenario."

Due to the practice of stacking CPT codes when billing for medical device procedures, health plans often don't know what exactly they are reimbursing for. According to McKesson, only 21 relevant codes exist for more than 1,500 molecular diagnostic tests.

"As the prevalence [of molecular diagnostics] grows, plans realize they're paying for diagnostic/genomic tests without guidance as to when the tests are appropriate," Zubiller noted.

In addition, several payors have indicated they are tracking unnecessary or erroneous genetic testing. In particular, United Healthcare and Aetna have instated prior notification and prior authorization policies for Myriad's BRCA mutation tests for gauging predisposition to breast and ovarian cancer [see [PGx Reporter](#) 11-04-2009].

United Healthcare has also reported inaccurate treatment associated with Genomic Health's Oncotype DX and errors in interpretation of HER2 testing results to guide breast cancer treatment with Herceptin [see [PGx Reporter](#) 08-12-2009].

Generation Health, a genetic testing benefits manager, which aims to work with payors and self-insured employers to optimize use of genetic tests, has noted that under the current reimbursement system, payors often pay for tests that have been administered to the wrong people. Rick Schatzberg of Generation Health has said that sometimes payors are even reimbursing for gene scans from direct-to-consumer genomics services without knowing it [[see *PGx Reporter* 10-21-2009](#)].

With regard to DTC genomics firms, Zubiller acknowledged that this is an issue on the minds of insurers. Eventually, "health plans could enforce prior approval for these tests, supported by criteria," he noted.

Payors are interested in implementing McKesson's InterQual system for molecular diagnostics in an effort to cut unnecessary healthcare spending and make their healthcare delivery systems more efficient, the company said.

"We work with health plans to determine their true molecular diagnostics spend as an adjunct service to the criteria, and plan to share information on industry-wide trends in the future," Zubiller said.

'Connect the Dots'

At a conference in Boston this week on personalized medicine, hosted by the Harvard Partners Center for Genetics and Genomics, McKesson Health Solutions Medical Director Douglas Moeller highlighted that the company's InterQual decision-support system helps "connect the dots" for payors and physicians regarding the available scientific literature and insurers' coverage criteria for genomic tests.

The current coding system, which relies on stacked CPT codes, "is simply not adequate" in molecular diagnostics, Moeller said at the meeting. As a workaround for the inadequacies of the existing system, McKesson has created a catalogue that gives a unique identifier to each test. In this way, "anyone who wants to know about a particular test can go look it up" in McKesson's InterQual system.

McKesson added molecular diagnostics criteria to InterQual in April. At the time, the firm noted that MVP Health Plans and John Muir Health were already using the automated decision support system.

"The offering automates the entire authorization process, from the initial request all the way through final authorization," the company said at the time. "McKesson's auto authorization capability [ensures that] medical appropriateness is determined automatically for most requests."

The features of the InterQual system for molecular diagnostics include a new question-and-answer format to issue recommendations on alternative and concurrent tests, and

pop-up notes and clinical evidence summaries to help doctors make evidence-based healthcare decisions.

Cost Savings

"The content plus technology drive reduced administrative costs, better payor-provider relations, and support optimal care," the company said, adding that it is the first vendor to provide such an automated decision support system for molecular diagnostics.

"When we [reduce the time it takes for insurance coverage] authorizations from two days to two minutes, staff is able to go do other things," Moeller pointed out. When providers and payors see these efficiencies, "we're in the door."

According to the health technology provider, molecular and genetic test volumes have reached 40 million annual tests in the US and are expected to double to 80 million by 2012. In an effort to ensure that customers on the InterQual system have access to the most recent information on tests, the criteria are updated quarterly.

Currently, the InterQual Molecular Diagnostics Criteria covers over 225 tests comprising approximately 85 percent of the costs in this growing area.

In addition to its publicly announced licensees, McKesson suggested that interest in the InterQual system for molecular diagnostics is growing. "More and more customers are asking for our help in bringing clarity to the unknowns in this emerging area of molecular and genetic test utilization," Zubiller said in a statement.

"Payors are intensely interested in clinical value," Moeller said at the conference. According to Moeller, an automated decision support system, such as InterQual, that collates evidence criteria and insurers' requirements, allows payors and physicians to be "discriminatory" at the point of care, which allows for the collection of clinical utility data about genomic tests and companion diagnostics in a real-world setting.

<http://www.genomeweb.com/dxpgx/payors-adopt-mckessons-automated-interqual-molecular-dx-system-avoid-inaccurate->