

**STATE OF MICHIGAN**  
**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**  
**Before the Director of Insurance and Financial Services**

In the matter of:

██████████,

Petitioner,

v

File No. 154374-001

Blue Cross Blue Shield of Michigan,

Respondent.

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Issued and entered  
this 19<sup>th</sup> day of July 2016  
by Randall S. Gregg  
Special Deputy Director

**ORDER**

**I. PROCEDURAL BACKGROUND**

██████████ (Petitioner) was transported by ground ambulance following a brain injury. When the claim for the transport was submitted to her health insurance carrier, Blue Cross Blue Shield of Michigan (BCBSM), it was denied.

On June 27, 2016, ██████████, the Petitioner's authorized representative (and mother), filed a request with the Director of Insurance and Financial Services for an external review of that denial under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.* The Director accepted the request on July 7, 2016.

The Petitioner receives health care benefits through a group plan that is underwritten by BCBSM. The Director immediately notified BCBSM of the external review request and asked for the information it used to make its final adverse determination. BCBSM responded on July 13, 2016.

The issue in this external review can be decided by a contractual analysis. The Director reviews contractual issues pursuant to MCL 550.1911(7). This matter does not require a medical opinion from an independent review organization.

## II. FACTUAL BACKGROUND

The Petitioner's health care benefits are described in a booklet called *MESSA Choices / Choices II Group Insurance for School Employees* (the benefit booklet).

On April 28, 2016, the Petitioner was transported by ground ambulance from the Indiana University Methodist Hospital in Indianapolis, Indiana, to the Rehabilitation Institute of Michigan in Detroit, Michigan, for acute neuro-rehabilitation. The charge for the transport was \$2,657.25, which the Petitioner paid in full. When the Petitioner submitted a reimbursement request to BCBSM, it was denied.

The Petitioner appealed the denial through BCBSM's internal grievance process. At the conclusion of that process, BCBSM issued a final adverse determination dated May 6, 2016, affirming its decision. The Petitioner now seeks a review of that final adverse determination from the Director.

## III. ISSUE

Is BCBSM required to cover the Petitioner's ambulance transport?

## IV. ANALYSIS

### Petitioner's Position

In a "statement of request" submitted with the request for external review, the Petitioner's authorized representative wrote:

We seek reimbursement for ambulance cost (\$2657.25) to transfer our 26-year old daughter from Indianapolis to Detroit following a massive brain bleed and surgery (our daughter was a graduate student at Ball State at the time of the TBI [*traumatic brain injury*]). With the support of surgeons, therapists, primary care and rehab doctors, our family made the decision to transfer her to the Rehabilitation Institute of Michigan (Detroit) for acute rehab following her stroke so that she could receive the most intensive, specialized brain injury therapy possible. While it is stated that ambulance coverage from insurance is limited to the closest hospital equipped to furnish treatment, we sought the best acute rehab facility with experienced therapists who could provide the most recovery during our 26-year old daughter's acute rehab, not just any equipped facility. [The Petitioner's] most debilitating deficits from the stroke are expressive aphasia and apraxia, necessitating in the daily interaction and intervention of her family.

We who knew [her] before the stroke were best at interpreting her needs aiding her in her recovery. We are Michigan residents, employed with a local public school. In providing the best medical and recovery care for not only [our daughter] but also the entire family, it was essential to have her at the Rehabilitation Institute of Michigan in Detroit. While we understood what was written in the insurance coverage booklet, we also understood that there was an appeal process where logic could be used to realize that the ambulance transfer was necessary for her recovery and acute rehab, and the ambulance expense should be reimbursed.

#### BCBSM's Position

In the final adverse determination, BCBSM's representative told the Petitioner's parents:

As a Grievance and Appeals Coordinator for [BCBSM], I reviewed the appeal request, the claim in question and your daughter's health care plan benefits. Based on that review, I confirmed that our payment determination is appropriate. Ground ambulance services are payable to the nearest facility equipped to provide treatment. In this case, your daughter was transferred to the Rehabilitation Institute of Michigan and she bypassed facilities that were equipped to provide treatment to your daughter. Therefore, we are unable to approve payment for your daughter's ambulance services.

\* \* \*

I understand that it was your decision to have your daughter transferred to Michigan because her support system was located there; however, the design of your health care plan only allows for ambulance transportation to the nearest facility capable of treating the patient. Therefore, the denial of payment for your daughter's ambulance claim is maintained.

#### Director's Review

Ambulance transport is a covered benefit (benefit booklet, p. 24) and is described this way:

##### **Ambulance**

Covered services include transportation by professional ambulance to, or from, the nearest hospital equipped to furnish treatment. Within the United States and Canada, benefits are also available

for emergency transportation by air ambulance to the nearest hospital equipped to furnish treatment. In all cases, only the patient's transportation is covered. Ambulance transportation is not covered for patient or family convenience or for physician preference.

The Petitioner's mother says that the Rehabilitation Institute of Michigan, which specializes in brain injuries, was the facility closest to their home "that was adequately able to provide the care [the Petitioner] required." She notes being in Detroit allowed the family to visit the Petitioner daily and to participate in her rehabilitation, which has been essential for her recovery. BCBSM says that the Petitioner did not meet criteria for ambulance transport because there were facilities near the hospital in Indiana that were equipped to treat the Petitioner.

The benefit booklet says ambulance transport services includes "transportation by professional ambulance to, or from, the nearest hospital equipped to furnish treatment." There is nothing in the record to show that the Rehabilitation Institute of Michigan was the nearest hospital "equipped to furnish treatment" or that there were no facilities in Indiana capable of providing needed care.

The Director therefore finds that BCBSM correctly denied reimbursement for the Petitioner's April 28, 2016 ambulance services under the terms of the benefit booklet.

#### V. ORDER

The Director upholds BCBSM's final adverse determination of May 6, 2016.

This is a final decision of an administrative agency. Under MCL 550.1915, any person aggrieved by this order may seek judicial review no later than 60 days from the date of this order in the circuit court for the Michigan county where the covered person resides or in the circuit court of Ingham County. A copy of the petition for judicial review should be sent to the Department of Insurance and Financial Services, Office of General Counsel, Post Office Box 30220, Lansing, MI 48909-7720.

Patrick M. McPharlin,  
Director

For the Director

  
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Randall S. Gregg  
Special Deputy Director