

**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. 145638-001**

**McLaren Health Plan**  
**Respondent**

---

Issued and entered  
this 3<sup>rd</sup> day of February 2015  
by Randall S. Gregg  
Special Deputy Director

**ORDER**

**I. PROCEDURAL BACKGROUND**

On January 6, 2015, ██████████ (Petitioner) filed a request for external review with the Director of Insurance and Financial Services under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.*

The Petitioner receives health benefits through McLaren Health Plan, a health maintenance organization. The Director notified McLaren of the external review request and asked for the information used to make its final adverse determination. McLaren provided its response on January 12, 2015. The Director accepted the request on January 13, 2015.

The issue in this case can be decided by an analysis of McLaren's *POS Certificate of Coverage*, the contract that defines the Petitioner's health care benefits. The Director reviews contractual issues under MCL 500.1911(7). This matter does not require a medical opinion from an independent review organization.

**II. FACTUAL BACKGROUND**

The Petitioner receives health care benefits under the McLaren Health Plan POS certificate of coverage. The certificate provides coverage at two benefit levels, Option A and Option B. Option A care is provided at the lowest out-of-pocket expense to the member. The certificate's Option B requires that a member pay higher out-of-pocket expenses.

In December 2013, the Petitioner's doctor prescribed several blood tests. The Petitioner says he called his insurer, McLaren Health Plan to find the nearest laboratory he could use to

obtain Option A coverage for the tests. What happened next is the subject of significant disagreement between the Petitioner and McLaren.

The Petitioner says he was directed to a McLaren Laboratory in [REDACTED] and had his blood drawn there on December 16, 2013. He says McLaren did pay the claim at the Option A level. When he questioned McLaren, he was told that they had sent his blood to the [REDACTED], also located in [REDACTED], for processing. The [REDACTED] is affiliated with the [REDACTED] and is not a McLaren participating provider.

According to McLaren, they have no record of the Petitioner using their laboratory. McLaren asserts that they received a claim from [REDACTED] for drawing the Petitioner's blood and performing three blood tests on December 16, 2013. Because the [REDACTED] is not a part of the McLaren system, the claim was processed under Option B.

The Petitioner appealed McLaren's payment determination through its internal grievance process, requesting that it provide coverage at the Option A benefit level. At the conclusion of that process, McLaren issued a final adverse determination on December 5, 2014 affirming its benefit decision. The Petitioner now seeks a review of that adverse determination from the Director.

### III. ISSUE

Did McLaren properly deny coverage for the Petitioner's laboratory services at the Option A benefit level?

### IV. ANALYSIS

In its final adverse determination, McLaren denied Option A coverage because the claim had been submitted by a non-participating provider.

The Petitioner stated in a November 21, 2014 letter to McLaren:

I was told to get routine blood work performed and given the paperwork. Since I had recently moved to [REDACTED] county I called McLaren Health plan to find out where a McLaren POS approved lab was. I was directed by you to go to the McLaren Lab in [REDACTED] I did. It is very definitely a McLaren Lab as it has McLaren on the doors and windows. They knew I had McLaren Health Plan POS when I went in for the blood draw, as I was required to show my medical card. I called McLaren Health Plan today to inquire why this was not being paid. I was told that while I went to a McLaren lab; that they sent it out of network for processing. That quite honestly is your problem not mine. Where they sent it for

processing is something that is and was out of my control. I went where I was told to go so that the tests would be covered. The fact that your lab was incompetent enough to send it out of network to be processed is their fault and your problem. I should not be held responsible for this bill, I did my part and went where I was told to go. Your lab is the one that dropped the ball; and because of that McLaren Health plan needs to pay the bill not me. I had insurance, and followed proper protocol for the insurance to cover the blood work.

Determining whether the Petitioner would receive Option A or Option B coverage for this claim is dependent on whether he went to a participating or nonparticipating laboratory. The Petitioner asserts he went to McLaren's laboratory, McLaren says the claim came from a nonparticipating laboratory. This factual dispute cannot be resolved in a review under the Patient's Right to Independent Review Act (PRIRA) because PRIRA has no investigative or hearing process in which such a factual disagreement can be resolved.

In this circumstance, the Director is without a basis to conclude that McLaren's claim decision should be reversed.

#### **V. ORDER**

The December 5, 2014 final adverse determination of McLaren Health Plan is not reversed.

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 sixty days from the date of this order in the circuit court for the 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, Health Care Appeals Section, Post Office Box 30220, Lansing, MI 48909-7720.

Annette E. Flood  
Director

For the Director:



---

Randall S. Gregg  
Special Deputy Director