

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. 148241-001

Molina Healthcare of Michigan,

Respondent.

Issued and entered
this 1st day of July 2015
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On June 9, 2015, ██████████ (Petitioner) filed a request with the Director of Insurance and Financial Services for an external review under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.*

The Petitioner receives health care benefits, including prescription drug coverage, from Molina Healthcare of Michigan (Molina), a health maintenance organization for Medicaid-eligible individuals. The Director notified Molina of the external review request and asked for the information it used to make its final adverse determination. Molina provided its response on June 11, 2015. After a preliminary review of the material submitted, the Director accepted the request on June 16, 2015.

The issue in this external review can be decided by a contractual analysis. The Director reviews contractual issues pursuant to MCL 500.1911(7). This matter does not require a medical opinion from an independent review organization.

II. FACTUAL BACKGROUND

The Petitioner's benefits are defined in a certificate of coverage issued by Molina (the certificate).

The Petitioner has chronic hepatitis C. When his physician prescribed the drug Harvoni (90-400 mg tablet) to treat it, Molina denied coverage for the drug.

The Petitioner appealed the denial through Molina's internal grievance process. At the conclusion of that process, Molina affirmed its denial in a final adverse determination dated April 9, 2015. The Petitioner now seeks a review of Molina's final adverse determination from the Director.

III. ISSUE

Did Molina correctly deny coverage for the prescription drug Harvoni?

IV. ANALYSIS

Petitioner's Argument

In his request for an external review, the Petitioner wrote:

Requesting Harvoni. Need to know when & why I cannot receive life supporting medication.

Respondent's Argument

In its final adverse determination, Molina explained its reasons for denying coverage:

Molina Healthcare has reviewed the request for Harvoni and determined that it is not a covered benefit. As an alternative, please consider prescribing medications that are available on the Molina healthcare Formulary (ex: Victrellis).

Director's Review

Molina is administering health care benefits for recipients of Medicaid, a joint state-federal program. As such, it is only required to cover the prescription drugs on the State of Michigan Pharmaceutical Product List. Harvoni is not on the list.

The certificate, in "Appendix C - Excluded Services & Limitations," has this provision explaining the extent of Molina's obligation:

Any services, equipment or supplies excluded or limited under the Medicaid Contract are excluded or limited under the Member Agreement, even when recommended by a Primary Care Provider or Participating Provider and/or written on a Plan referral form. . . .

Moreover, state law does not require Molina to exceed Medicaid's requirements. Section 3571 of the Insurance Code says:

. . . A health maintenance organization that participates in a state or federal health program . . . is not required to offer benefits or services that exceed the requirements of the state or federal health program. . . . MCL 500.3571.

Because Harvoni is not a drug that Medicaid covers, the Director must uphold Molina's final adverse determination denying coverage.

V. ORDER

The Director upholds Molina's April 9, 2015, final adverse determination.

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:



Randall S. Gregg
Special Deputy Director