

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

In the matter of:

██████████
Petitioner

v

United Healthcare Community Plan, Inc.
Respondent

File No. 152154-001

Issued and entered
this 4th day of March 2016
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On February 10, 2016, ██████████ (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 has individual health care coverage as a member of United Healthcare Community Plan, Inc. (United), a health maintenance organization. The benefits are defined in United's *Gold Compass 500 Individual Medical Policy*.

The Director immediately notified United of the external review request and asked for the information it used to make its final adverse determination. United provided its initial response on February 10, 2016. On February 18, 2016, after a preliminary review of the information submitted the Director accepted the case for review. United furnished additional information for the review on February 22, 2016.

The issue in this external review can be decided by a contractual analysis. 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

On September 9, 2015 the Petitioner had a mammogram at ██████████. The test was performed by ██████████. Neither provider is in United's

provider network for individuals who are insured under the *Gold Compass* plan. Providence Park Hospital charged \$329.00; Southfield Radiology Associates charged \$128.00. United denied coverage for the services.

The Petitioner appealed the denials through United's internal grievance process. At the conclusion of that process, United maintained its denials and issued final adverse determinations on December 14, 2015. The Petitioner now seeks the Director's review of these final adverse determinations.

III. ISSUE

Did United correctly deny coverage for the Petitioner's September 9, 2015 mammography?

IV. ANALYSIS

Respondent's Argument

In its final adverse determinations, United wrote that the Petitioner's claims were denied because "benefits are only available when you receive service from a provider in your plan's network and in your plan's service area." United also wrote:

In your health plan document, section entitled Scheduled of Benefits, subsection entitled Accessing Benefits it says:

You must see a Network Physician in order to obtain Benefits. Except as specifically described in this Schedule of Benefits, Benefits are not available for services provided by non-Network providers. This Benefit plan does not provide a Non-Network level of Benefits.

We verified that the provider is out of network with your health plan. You are responsible for verifying the participation status of a provider prior to obtaining health services. You may contact United Healthcare's Customer Care department at the phone number on the back of your identification card or you may visit www.myuhc.com to locate a network provider in your area or verify if a provider is participating with your health plan.

Petitioner's Argument

In a letter of appeal to United dated November 12, 2015, accompanying her request for an external review, the Petitioner wrote:

The purpose of this letter is to request a reversal of denial regarding the above referenced claims for the following reasons:

1. I should not be held responsible because I never received a book indicating that the above providers were out-of-network.

2. I was never informed that Providence is not a network provider for mammograms and that I should have gone to Beaumont.

When a patient checks in at a provider, there should be someone who verifies the insurance and informs the patient if there is a problem with coverage, i.e. the facility/office is not a network provider. I was not informed by anyone when I checked in for my mammogram that my insurance would not cover the service. Had I been informed that Providence is not a network provider for mammograms, I would have canceled the appointment and found a network provider.

As a medical biller/office manager for an internal medicine practice for 12+ years, I check all patients' insurance cards and if there is a problem regarding coverage, I immediately inform them as such.

Therefore, I would appreciate a reversal of the claims referenced above.

Director's Review

The *Gold Compass 500 Individual Medical Policy* Schedule of Benefits provides:

You must see a Network Physician in order to obtain Benefits. Except as specifically described in this Schedule of Benefits, Benefits are not available for services provided by non-Network providers. This Benefit plan does not provide a Non-Network level of Benefits.

A fundamental premise of a health maintenance organization such as United is the centralization of health care delivery within a network of providers. Requirements that a member use providers who are part of an HMO's network are typical of managed care contracts. HMOs operate within a network of providers who sign contracts to charge specially negotiated rates for services they provide to the HMO's members. The discounted rates are a primary method of cost containment that ultimately benefits every member. If a United member uses a non-network provider when services from participating providers are available, payment for those services may be greatly reduced or even excluded entirely, as is the case here.

The Petitioner's mammogram was obtained from two non-network providers. United is not required to provide coverage for those non-network services.

The Petitioner asserts that no one at Providence informed her of their non-network status. However, as the *Gold Compass 500* Schedule of Benefits states, it is the insured individual's responsibility to determine a provider's network status. United, in the certificate of coverage, provides its insureds with the means by which such confirmation may be obtained, by telephone or on the internet.

V. ORDER

The Director upholds the final adverse determinations issued by United Healthcare Community Plan, Inc. on December 14, 2015.

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:

A handwritten signature in black ink, appearing to read 'RS Gregg', is written over a horizontal line.

Randall S. Gregg
Special Deputy Director