

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

In the matter of:

**Level Eleven Grand Blanc  
Petitioner**

**File No. 21-1065**

**v**

**Citizens Insurance Company of the Midwest  
Respondent**

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**Issued and entered  
this 26<sup>th</sup> day of July 2021  
by Sarah Wohlford  
Special Deputy Director**

**ORDER**

**I. PROCEDURAL BACKGROUND**

On June 10, 2021, Level Eleven Grand Blanc (Petitioner) filed with the Department of Insurance and Financial Services (Department) a request for an appeal pursuant to Section 3157a of the Insurance Code of 1956 (Code), 1956 PA 218, MCL 500.3157a. The request for appeal concerns the determination by Citizens Insurance Company of the Midwest (Respondent) on the basis that the Petitioner overutilized or otherwise rendered or ordered inappropriate treatment, products, services, or accommodations, under Chapter 31 of the Code, MCL 500.3101 to MCL 500.3179.

The Respondent issued the Petitioner a written notice of determination under R 500.64(1) on June 2, 2021. The Petitioner now seeks reimbursement in the full amount billed for the date of service at issue.

The Department accepted the request for appeal on June 10, 2021. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on June 10, 2021 and provided the Respondent with a copy of the Petitioner's submitted documents. The Respondent filed a reply to the Petitioner's appeal on June 28, 2021.

The Department assigned an independent review organization (IRO) to analyze issues requiring medical knowledge or expertise relevant to this appeal. The IRO submitted its report to the Department on July 19, 2021, providing a recommendation to the Department on the issues in the appeal.

## II. FACTUAL BACKGROUND

The Petitioner appeals the denial of payment for outpatient physical therapy treatments rendered to the injured person on May 3 and May 6, 2021. These treatments were identified under Current Procedural Terminology (CPT) codes 97112, 97530, and 97116, for neuromuscular re-education therapy, therapeutic activities, and therapy exercise instruction, respectively. The Petitioner's supporting documentation included a medical record for the dates of service at issue which noted the following treatment diagnoses: difficulty in walking, generalized muscle weakness, quadriplegia, C5-C7 incomplete, and other incomplete lesion at C7 level with sequela.

The Petitioner's request for an appeal stated that the treatment provided to the injured person was medically necessary "regarding the injuries sustained in a motor vehicle accident." The Petitioner provided further explanation in its appeal, stating:

As a result of that motor vehicle accident, [the injured person] sustained serious injuries. During his treatment, a licensed physician ordered services which we have been providing. These services are to be provided by a licensed therapist, for the safety and wellbeing of the [injured person] in order for [the injured person] to gain strength, mobility, and quality of life.

In the Respondent's June 2, 2021 determination, the Respondent denied payment and stated that the physical therapy treatments provided on the dates of service at issue were not medically necessary. In its reply to the appeal, the Respondent reaffirmed its position and stated the following: "Treatment is not medically necessary as there is no need for 3x/week outpatient PT. Outpatient PT 1x/week for 4 weeks is needed with home exercise program to follow."

## III. ANALYSIS

### Director's Review

Under MCL 500.3157a(5), a provider may appeal an insurer's determination that the provider overutilized or otherwise rendered inappropriate treatment, products, services, or accommodations, or that the cost of the treatment, products, services, or accommodations was inappropriate under Chapter 31 of the Code. This appeal is a matter of medical necessity and overutilization of services.

The Director assigned an IRO to review the case file. In its report, the IRO reviewer concluded that, based on the submitted documentation, the services provided to the injured person on the dates of service at issue were medically necessary, and were not overutilized in frequency and duration, in accordance with medically accepted standards as defined by R 500.61(i)

The IRO reviewer is board certified in physical medicine and rehabilitation and is an active practitioner. In its report, the IRO reviewer referenced R 500.61(i), which defines "medically accepted

standards” as the most appropriate practice guidelines for the treatment provided. These may include generally accepted practice guidelines, evidence-based practice guidelines, or any other practice guidelines developed by the federal government or national or professional medical societies, boards, and associations. The IRO reviewer relied on generally accepted guidelines and peer-reviewed journal articles supporting current evidence-based practice guidelines, including clinical practice guidelines for the management of patients with acute spinal cord injury.

In support of its recommendation, the IRO reviewer explained that the injured person has a history of “spinal cord injury, quadriplegia with continued complaints of muscle weakness and difficulty walking” sustained in 2009 as the result of a motor vehicle accident. Further, the IRO reviewer noted that the injured person “has difficulty with positioning, balance, strength, posture, and gait,” and requires “maximum to moderate assistance with mobility and transfers.”

The IRO reviewer opined that the documentation submitted by the Petitioner supports medical necessity for physical therapy treatments rendered on May 3 and 6, 2021. The IRO reviewer further explained that the physical therapy treatments were not overutilized in frequency and duration. Specifically, the IRO reviewer stated that the:

[P]rovided physical therapy services were in accordance with the medically accepted standards defined by 500.6(i)

Physical therapy has been shown to improve recovery from incomplete chronic SCI [spinal cord injury], as well as positive effects on sitting and standing balance function. Specifically, ambulation training in addition to conventional overground walking is recommended. Additionally, to improve cardiometabolic health, the guidelines recommend 20min of moderate to vigorous intensity aerobic exercise two (2) times per week and three (3) sets of strength exercises for major functioning muscle groups two (2) times per week.

Thus, the services described were not overutilized in frequency or duration in accordance with medically accepted standards.

Based on the above, the IRO reviewer recommended that the Director reverse the Respondent’s determination that the treatments provided to the injured person on May 3 and 5, 2021 were not medically necessary in accordance with medically accepted standards, as defined by R 500.61(i).

#### **IV. ORDER**

The Director reverses the Respondent’s determination dated June 2, 2021. The Petitioner is entitled to payment in the full amount billed and to interest on any overdue payments as set forth in Section 3142 of the Code, MCL 500.3142. R 500.65(6). The Respondent shall, within 7 days of this order, submit

proof that it has complied with this order. This order is subject to judicial review as provided in section 244(1) of the Code, MCL 500.244(1).

This is a final decision of an administrative agency. A person aggrieved by this order may seek judicial review in a manner provided under Chapter 6 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.301 to 24.306. MCL 500.244(1); R 500.65(7). A copy of a petition for judicial review should be sent to the Department of Insurance and Financial Services, Office of Research, Rules, and Appeals, Post Office Box 30220, Lansing, MI 48909-7720.

Anita G. Fox  
Director  
For the Director:

 Recoverable Signature

X *Sarah Wohlford*

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Sarah Wohlford  
Special Deputy Director  
Signed by: Sarah Wohlford