

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

In the matter of:

Advanced Spine and Headache Center
Petitioner

File No. 21-1123

v

Citizens Insurance Company of the Midwest
Respondent

Issued and entered
this 14th day of September 2021
by Sarah Wohlford
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On July 26, 2021, Advanced Spine and Headache Center (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 an appeal concerns the determination of Citizens Insurance Company of the Midwest (Respondent) 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 Petitioner's appeal is based on the denial of a bill pursuant to R 500.64(3), which allows a provider to appeal to the Department from the denial of a provider's bill. The Petitioner now seeks reimbursement in the amount of \$10,855.00 which is the difference in payments for the dates of service at issue.

The Department accepted the request for an appeal on August 3, 2021. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on August 3, 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 August 17, 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 and recommendation to the Department on September 8, 2021.

II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for physical therapy treatments provided to the injured person on 17 dates of service in January, February, and March 2021.¹ On April 12, 2021, the Respondent issued the Petitioner an “Explanation of Review” letter denying the physical therapy treatments.

With its appeal request, the Petitioner submitted a medical evaluation indicating that the injured person was involved in a motor vehicle accident in July 2020, with diagnoses that included incomplete rotator cuff tear or rupture of left shoulder, left shoulder rotator cuff tendinopathy/subacromial bursitis, a history of hypertension, headache, arthritis, left shoulder surgery, and surgery of the right hand. An initial evaluation from November 2020 stated that the injured person delayed his initial evaluation due to a fall on his shoulder. The injured person stated that he wanted to be seen by his primary care provider before initiating physical therapy. Based on the evaluation, the injured person rated his pain a 6 out of 10 on the pain scale, with a long-term physical therapy goal of pain no greater than 1-2 out of 10.

In a reevaluation note dated April 26, 2021, the Petitioner noted that the injured person missed almost a month of physical therapy treatments due to a COVID-19 diagnosis. The submitted documentation notes that the injured person’s pain as a 6 out of 10, with “good” rehabilitation potential. Additionally, in a discharge summary dated June 10, 2021, the injured person was discontinued physical therapy treatments after suffering a heart attack related to COVID-19. The Petitioner noted the injured person’s rehabilitation prognosis as “guarded having had multiple health complications.”

In its reply, the Respondent stated that the Petitioner’s bills for physical therapy treatment were originally denied pending detailed medical records. The Respondent affirmed its original denial stating that newly reviewed documentation did not suggest the need for continued outpatient physical therapy. Further, the Respondent stated that a home exercise program would be appropriate.

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 involves a dispute regarding whether the treatments the Petitioner provided were inappropriate under Chapter 31 of the Code.

¹ The dates of service at issue are January 28, 2021; February 3, 4, 8, 11, 15, 17, and 18, 2021; and March 1, 3, 4, 8, 10, 11, 15, 17, and 18, 2021.

The Director assigned an IRO to review the case file. In its report, the IRO reviewer concluded that, based on the submitted documentation, the physical therapy treatments provided to the injured person on the dates of service at issue were medically necessary.

The IRO reviewer is board certified in physical medicine and rehabilitation. 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, board, and associations. The IRO reviewer relied on American Orthopaedic Surgeons practice guidelines and medical journals for its recommendation.

The IRO reviewer noted that American Academy of Orthopaedic Surgeons guidelines recommend a rehabilitation program and a home exercise program for completion of long-term goals after rotator cuff repair. The IRO reviewer stated that the rehabilitation program is typically for a shorter duration than the injured person received; however, the IRO reviewer opined that extended rehabilitation was needed to achieve the injured person's goals.

Based on submitted documentation, the IRO reviewer indicated the injured person's initiation of physical therapy was delayed due to a fall. Further, the IRO reviewer opined that the injured person's COVID-19 hospitalization delayed optimal rotator cuff rehabilitation because of "joint stiffness from reduced mobility in the hospital setting." Additionally, the IRO reviewer opined that the injured person was at risk of "adhesive capsulitis" and "COVID-19 increasing inflammatory markers on the recovering joint."

The IRO reviewer opined that the injured person's prior arthritis and medical comorbidities could lead to slower functional progress. Specifically, the IRO reviewer stated:

[D]ue to the nature of the trauma involved, prior arthritis history, delayed onset of therapy initiation post operatively due to a fall, the interruption of therapy due to COVID-19 hospitalization, and a heart attack, treatment was medically necessary.

Based on the above, the IRO reviewer recommended that the Director reverse the Respondent's determination that the physical therapy treatments provided to the injured person on the dates of service at issue 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 April 12, 2021.

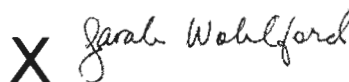
The Petitioner is entitled to payment in the full amount billed and to interest on any overdue payments as set forth in Section 3142 of the Code, MCL 500.3142. R 500.65(6). The Respondent shall,

within 21 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
Special Deputy Director
Signed by: Sarah Wohlford