

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

In the matter of:

Onward Therapy Services, LLC
Petitioner

File No. 21-1203

v

Home-Owners Insurance Company
Respondent

Issued and entered
this 8th day of October 2021
by Sarah Wohlford
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On August 2, 2021, Onward Therapy Services, LLC (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 concerns the determination of Home-Owners Insurance Company (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 Respondent issued the Petitioner written notices of the Respondent's determination under R 500.64(1) on July 21 and July 27, 2021. The Petitioner now seeks reimbursement in the full amount billed.

The Department accepted the request for an appeal on August 19, 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 19, 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 September 9, 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 27, 2021.

II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for massage therapy treatments provided to the injured person on June 21 and 24, 2021, and July 5 and 8, 2021, under procedure code 97124, which is described as therapeutic procedure.

With its appeal request, the Petitioner submitted documentation which stated the injured person suffered a right femur fracture, muscle spasms, and lower extremity pain following a motor vehicle accident. The Petitioner provided a physician order from May 2021, prescribing massage therapy and manual therapy techniques “1-2 [times] per week.” Additionally, the Petitioner submitted treatment notes for the June 2021 dates of service. The Petitioner’s request for an appeal stated that the massage therapy services were “reasonable and necessary” to facilitate the injured person’s recovery.

In the Respondent’s determination, the massage therapy treatments were denied in accordance with Official Disability Guidelines (ODG) for knee and leg conditions. Further, the Respondent stated that there was “no clear or distinct benefit over active treatments” and “no benefit from previous treatments is documented.”

In its reply, the Respondent reaffirmed its determination that the massage therapy treatments were not medically necessary and overutilized. Further, the Respondent stated that “clinical findings and documentation also do not support that the treatment is providing recovery or rehabilitative benefit.”

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 inappropriate treatment and overutilization.

The Director assigned an IRO to review the case file. In its report, the IRO reviewer concluded that, based on the submitted documentation, the massage therapy treatments provided to the injured person on the dates of service at issue were not medically necessary based on medically accepted standards.

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 Official Disability Guidelines (ODG) for its recommendation.

The IRO reviewer explained that Official Disability Guidelines (ODG) recommend 8 massage therapy visits for knee and leg conditions. Based on submitted documentation, the injured person was prescribed massage therapy in July 2020, and had received 52 weeks of treatment as of the dates of service at issue. The IRO reviewer opined that, based on submitted documentation, there was no documentation of significant improvement in the injured person’s pain levels, function, strength, or range of motion during the dates of service at issue. Specifically, the IRO reviewer noted:

On 8/18/20, there was limited hip range of motion (not stated whether active or passive) for flexion, internal rotation, and external rotation. Her pain level was stated as four-to-six (4-6). On 6/21/21 and 6/24/21, there was limited hip range of motion (not stated whether active or passive) for flexion, internal rotation, and external rotation. Her pain level was stated as four-to-six (4-6). During the 8/18/20 to 6/21/21 time frame, there was no documentation of significant improvement in pain levels, strength, range of motion, or function. On 6/21/21, 6/24/21, 7/5/21, and 7/8/21 [7]/29/21, the [injured person] could participate in a home exercise program to include strengthening and range of motion exercises.

The IRO reviewer further opined that the massage therapy treatments were not medically necessary, as the injured person exceeded the ODG recommendation for massage therapy in knee and leg conditions.

Based on the above, the IRO reviewer recommended that the Director uphold the Respondent's determination that the massage therapy treatments provided to the injured person on June 21 and 24, 2021, and July 5 and 8, 2021 were not medically necessary in accordance with medically accepted standards, as defined by R 500.61(i).


IV. ORDER

The Director upholds the Respondent's determinations dated July 21 and July 27, 2021.

This order relates only to the treatment, products, services, or accommodations and dates of service discussed herein, and may not be relied upon by either party to determine the injured person's eligibility for future treatment or as a basis for action on other treatments or dates of service not addressed in this order.

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:

X 

Sarah Wohlford
Special Deputy Director
Signed by: Sarah Wohlford