

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

In the matter of:

**MI Rehab Solutions LLC**  
**Petitioner**

**File No. 21-1740**

v

**Auto Club Insurance Association**  
**Respondent**

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**Issued and entered**  
**this 4<sup>th</sup> day of January 2022**  
**by Sarah Wohlford**  
**Special Deputy Director**

**ORDER**

**I. PROCEDURAL BACKGROUND**

On November 15, 2021, MI Rehab Solutions 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 for an appeal concerns the determination of Auto Club Insurance Association (Respondent) that the Petitioner overutilized or otherwise rendered or ordered inappropriate treatment 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 Respondent issued the Petitioner a bill denial on August 17, 2021. The Petitioner now seeks reimbursement in the full amount it billed for the date of service at issue.

The Department accepted the request for an appeal on November 23, 2021. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on November 23, 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 December 7, 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 December 14, 2021.

## II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for physical therapy treatments rendered on July 29, 2021. The Current Procedural Terminology (CPT) codes at issue include 97110, 97140, and 99082, which are described as therapeutic exercise, manual therapy, and home or community-based travel, respectively. In its *Explanation of Benefits* letter, the Respondent referenced American College of Occupational and Environmental Medicine (ACOEM) and noted that the injured person received more than 9 sessions of physical therapy which “exceeds guideline recommendations.” The Respondent further stated that the injured person’s medical records lacked objective findings to indicate a “positive response and functional improvement” following treatment.

With its appeal request, the Petitioner submitted medical documentation which identified the injured person’s diagnoses following a January 1993 motor vehicle accident as spinal cord injury (SCI) at levels T9-12, a traumatic brain injury (TBI), and chronic pain. The Petitioner documented that the injured person was receiving home-based physical therapy to address “chronic pain, trigger points, and equipment needs” and utilized marijuana daily along with over-the-counter pain medicine for pain relief. The Petitioner noted that the injured person’s physical therapy was discontinued due to COVID-19 concerns and that the injured person did not find telehealth visits beneficial.

The Petitioner’s request for an appeal further stated:

[The injured person] experiences temporary pain relief with 1 time per week frequency of skilled home/community-based [physical therapy (PT)] services including in part, manual therapy/myofascial release techniques/deep tissue mobilization, which allows increased tolerance for functional mobility/tasks, during period of decreased pain and improved strength...During weeks when weekly skilled PT services are not received, [the injured person] experiences increased pain, decreased quality of sleep, and decreased tolerance for functional tasks including transfers, bed mobility and wheelchair propulsion... Furthermore, skilled PT is necessary to maintain, prevent and slow further deterioration of [the injured person’s] functional status and the services cannot be safely carried out by [her] personally, or with the assistance of a non-therapist, including non-skilled caregivers.

In its reply, the Respondent reaffirmed its denial and referenced American College of Occupational and Environmental Medicine (ACOEM) guidelines and Official Disability Guidelines (ODG).

## 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, medical necessity was not supported on the dates of service at issue and the treatment was overutilized in frequency or duration based on medically accepted standards.

The IRO reviewer is a licensed physical therapist with knowledge of the care of individuals injured in a motor vehicle accident who received physical therapy for chronic back, neck, and shoulder pain. 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 the American Physical Therapy Association (APTA) guidelines and medical literature relating to neck pain for its recommendation.

The IRO reviewer explained that APTA guidelines indicate that “manual therapy is to be used in conjunction with functional training, therapeutic exercises, patient education, and a home exercise program.” The IRO reviewer further explained that manual therapy should be progressed with each patient using both objective and subjective measures to record progress, and that such measures must be appropriately documented in the records “to note how function is being maintained or deterioration is being prevented.”

The IRO reviewer opined that, based on the submitted documentation, the injured person “has been receiving care that is considered routine in nature.” More specifically, the IRO reviewer stated:

Although some conditions can justify maintenance therapy, it is important that the therapy provided during the course of treatment is progressed. It is also necessary as a condition of care that the patient be given a home exercise program (HEP) and home mobilization techniques in order to continue making progress towards their stated goals.

Regarding the level of documented evidence of progression for the treatment at issue, the IRO reviewer further opined:

There is no documentation presented that any other treatment technique was suggested besides use of theragun massager and roller which has been ongoing since February 2021. The focus of [the injured person's] treatment on July 29, 2021 was deep tissue massage for 45 minutes with decrease in her pain noted from 8 out of 10 to 6 out of 10, however, there is no documentation recorded of her objective improvements such as improved functional mobility. Also, no validated self-report questionnaires such as the Patient-Specific Functional Scale have been utilized in [the injured person's] case, which can help identify baseline status and

to monitor changes relative to pain, functional disability, and psychosocial function. Documentation also reports that [the injured person] has only received temporary relief of symptoms during therapy treatments. Since [her] status appears to be significantly unchanged with the current treatment, her care plan should have been adjusted and other treatments as well as interventions attempted and there is no evidence presented that this was done.

The IRO reviewer further noted that the treatments exceeded physical therapy practice guidelines and was overutilized with no evidence of progression in treatment or transition to an effective HEP.

The IRO reviewer recommended that the Director uphold the Respondent's determination that the physical therapy treatments provided to the injured person on July 29, 2021 were not medically necessary, and were overutilized in frequency or duration, in accordance with medically accepted standards, as defined by R 500.61(i).


#### IV. ORDER

The Director upholds the Respondent's determination dated August 17, 2021.

This order applies only to the treatment 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 treatment 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:

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Sarah Wohlford  
Special Deputy Director  
Signed by: Sarah Wohlford