

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

In the matter of:

██████████,

Petitioner,

V

File No. 150622-001

Alliance Health and Life Insurance Company,

Respondent.

Issued and entered
This 16th day of November 2015
By **Joseph A. Garcia**
Special Deputy Director

ORDER

I. BACKGROUND

██████████ (Petitioner) was injured while playing softball. He was first treated at an urgent care facility and then seen in the emergency room at a hospital. The Petitioner argues that the emergency room visit was unnecessary and therefore he should not be responsible for a \$250.00 copayment. His health insurer, Alliance Health and Life Insurance Company (Alliance), declined to waive the copayment.

On October 29, 2015 ██████████, the Petitioner's authorized representative, filed a request with the Director of Insurance and Financial Services for an external review of Alliance's decision under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.*

The Petitioner receives health care benefits through an individual plan underwritten by Alliance. The Director immediately notified Alliance of the external review request and asked for the information it used to make its final adverse determination. The Director received Alliance's response on November 2, 2015. After a preliminary review of the information submitted, the Director accepted the request on November 5, 2015.

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

The Petitioner's benefits are defined in Alliance's *Non-Group Health Insurance Policy* (the policy). The policy is amended by Rider 1003.

On July 26, 2015, the Petitioner was seen in the emergency room of a hospital after injuring his wrist. Alliance covered this treatment and paid the claim after applying a \$250.00 copayment.

The Petitioner appealed Alliance's application of the \$250.00 copayment through Alliance's internal grievance process. At the conclusion of that process Alliance maintained its determination and issued a final adverse determination dated October 9, 2015. The Petitioner now seeks a review of that final adverse determination from the Director.

III. ISSUE

Did Alliance properly apply a \$250.00 copayment to the Petitioner's emergency room care?

IV. ANALYSIS

Petitioner's Argument

The Petitioner's argument was explained by his mother during Alliance's internal grievance process:

On the evening of July 26, 2015 my son . . . was hit by a ball while playing softball. When he got home at approximately 8:30 PM he showed me his bruised wrist and told me it still was tender and hurting. I was worried how it looked and told him I wanted him to go to urgent care to get it looked at in case it was worse than it looked. . . . He was examined by a nurse [at the urgent care] and was told there might be a chance of getting a blood clot and to go to the emergency room ASAP, so he proceeded to the hospital. After being admitted to the [hospital's emergency room] a nurse looked at his wrist and took his pulse said that urgent care was always sending unnecessary cases to the ER. [He] was given a room and evaluated by the doctor. She looked at the wrist and said there was no indication of a blood clot and no swelling around the wrist. While waiting and talking to the ER nurse, she said the urgent care nurses must have an easy job because they just send everyone to the ER and this was not an ER case. An x-ray was taken to make sure there were no broken bones as a precaution. There were no broken bones so they wrapped his wrist gave him a Tylenol and sent him home.

[The Petitioner] went to urgent care for a precautionary checkup. There was no reason to be sent to the ER. This condition should have been handled at the urgent care facility. . . .

I feel the . . . urgent care should have handled his bruised wrist at their clinic. I do not feel we should be billed for the . . . ER visit. . . .

Respondent's Argument

In its final adverse determination, Alliance explained to the Petitioner:

. . . Services were provided to you during the Emergency Room (ER) visit; therefore, the ER Copayment is your financial responsibility.

As part of our investigation, your request was reviewed by the Claims Department.

We reviewed the following documents and statements to make this decision:

- Rider 1003

Director's Review

Rider 1003 establishes a \$250.00 copayment for emergency room services. There is no dispute that the Petitioner went to the emergency room for treatment. The rider also says that the copayment is only waived if the patient is admitted to the hospital through the emergency room, which is not the case here. The Director therefore concludes that Alliance was correct when it applied the \$250.00 copayment to the Petitioner's emergency room visit in this case.

The Petitioner's real complaint is that he did not require emergency room care. He believes that adequate care could have been provided at the urgent care facility (a belief that he says was confirmed in the emergency room). He is unhappy about incurring a charge for what he thinks was unnecessary care.

Unfortunately, that is not an issue that can be resolved in a review under the Patient's Right to Independent Review Act. In this review, the Director can only determine if the health plan correctly applied the copayment according to the terms and conditions of the policy and its rider. The Director cannot decide if it was medically necessary for the Petitioner to be seen in the emergency room after he was seen at the urgent care facility.

The Director finds that Alliance correctly applied the provisions of the policy and its rider when it applied a \$250.00 copayment to the Petitioner's emergency room visit.

V. ORDER

The Director upholds Alliance Health and Life Insurance Company's October 9, 2015, final adverse determination.

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 'J. Garcia', written over a horizontal line.

Joseph A. Garcia
Special Deputy Director