

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. 145375-001-SF

██████████ ██████████ Plan Sponsor  
and  
Blue Cross Blue Shield of Michigan, Plan Administrator  
Respondents

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Issued and entered  
this 2<sup>nd</sup> day of January 2015  
by Randall S. Gregg  
Special Deputy Director

**ORDER**

**I. PROCEDURAL BACKGROUND**

On December 12, 2014, ██████████, on behalf of her minor daughter ██████████ (Petitioner), filed with the Director of Insurance and Financial Services a request for an external review challenging a health care claim denial issued by Blue Cross Blue Shield of Michigan (BCBSM). The request was filed under Public Act No. 495 of 2006, MCL 550.1951 *et seq.*, which authorizes the Commissioner to conduct external reviews for individual who receive health care benefits under self-funded governmental plans. The external reviews are conducted as though the Petitioner was a covered person under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.* The Director accepted the request on December 19, 2014.

The Petitioner receives health care benefits through a self-funded, governmental plan sponsored by the ██████████. BCBSM administers the plan. The terms of the Petitioner's coverage are defined in BCBSM's Community Blue Group Benefit Certificate ASC.

This case presents an issue of contractual interpretation. The Director reviews contractual issues pursuant to MCL 550.1911(7). This matter does not require a medical opinion from an independent review organization.

**II. FACTUAL BACKGROUND**

The Petitioner's mother requested authorization from BCBSM for orthodontic care for the Petitioner. BCBSM denied coverage. The Petitioner appealed the denial through BCBSM's internal grievance process.

At the conclusion of the grievance process BCBSM issued a final adverse determination on December 12, 2014, affirming its decision. The Petitioner now seeks a review of that adverse determination from the Director.

### III. ISSUE

Did BCBSM correctly deny prior authorization of the Petitioner's orthodontic care?

### IV. ANALYSIS

#### Petitioner's Argument

In her request for external review, the Petitioner's mother wrote:

[Petitioner] caught scarlet fever and a series of strep throat illness as her teeth were forming. The enamel was lost and she was diagnosed by [REDACTED] with a rare disease that has caused tooth problems. Now she needs braces because of these problems.

The Petitioner's mother believes that BCBSM is required to cover her daughter's orthodontic care under its medical coverage since it was caused by a medical condition.

#### BCBSM's Argument

In the final adverse determination, BCBSM's representative told the Petitioner's mother:

After review, our denial of prior authorization is maintained because [Petitioner] does not meet the criterion for approval of these dental services requested.

A board-certified Oral and Maxillofacial Surgeon review your claim, your appeal, and your health care plan benefits for [BCBSM] and determined the following:

All of the documentation was reviewed and it reveals that [Petitioner] had a medical condition. Her dentist referred her to an orthodontist for treatment. The orthodontist is planning comprehensive orthodontic treatment.... Orthodontic treatment is dental treatment.

The BCBSM policy on dental treatment indicates that orthodontics is not covered under the BCBSM medical/surgical benefit. Dental treatment services are covered under the BCBSM dental benefit and are not a benefit under the medical/surgical benefit unless the medical benefit specifically covers dental treatment.

[Petitioner] does not have orthodontic coverage under the medical benefit. The orthodontic treatment is not due to an accidental dental injury and therefore the documentation does not meet criteria for approval.

[Petitioner] is covered under the *Community Blue Group Benefit Certificate ASC*.

As explained in **Section 3: What BCBSM Pays For**, under **Dental Services**, on page 30 of the certificate, it states that we pay for emergency dental care to treat *accidental injuries*. Further, it states that a dental accidental injury occurs when an external force to the lower half of the face or jaw damages or breaks sound natural teeth, periodontal structure (gums) or bone.

Dental services do not become eligible for medical coverage merely by virtue of their being performed prior to a covered medical/surgical service or as a result of a medical treatment or a medical condition. Because of these elements specified above, [Petitioner] does not meet the criterion for approval of these dental services.

### Director's Review

The *Community Blue* certificate pays for dental services only in very limited circumstances. The Petitioner's mother argues that the orthodontic care is required because of a medical condition. However, there is nothing in the certificate that requires coverage of orthodontic care even if it is the result of a medical condition. Therefore, the Petitioner's proposed orthodontic care is not a covered benefit under the certificate.

The Director concludes that BCBSM correctly processed the request for orthodontic care for the Petitioner under the terms and conditions of the plan's coverage.

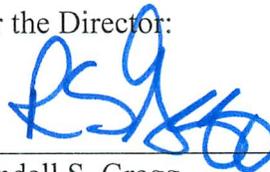
### V. ORDER

The Director upholds BCBSM's final adverse determination of December 12, 2014.

This is a final decision of an administrative agency. 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. See MCL 550.1915(1). 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.

Annette E. Flood  
Director

For the Director:



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Randall S. Gregg  
Special Deputy Director