

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. 147030-001-SF

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

Issued and entered
this 27th day of April 2015
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On April 7, 2015, ██████████ (Petitioner) filed a request for external review with the Department of Insurance and Financial Services, appealing a claim denial issued by Blue Cross and Blue Shield of Michigan (BCBSM), the administrator of the Petitioner's health benefit plan which is sponsored by the State of Michigan.

The request for external review was filed under Public Act No. 495 of 2006 (Act 495), MCL 550.1951 *et seq.* Act 495 requires the Director to provide external reviews to a person covered by a self-funded health plan that is established or maintained by a state or local unit of government. The Director's review is performed "as though that person were a covered person under the Patient's Right to Independent Review Act." (MCL 550.1952) The Petitioner's health benefit plan is such a governmental self-funded plan. The plan's benefits are described in BCBSM's *State of Michigan Active Employees Benefit Guide*.

On April 14, 2015, after a preliminary review of the information submitted, the Director accepted the Petitioner's request. The Director notified BCBSM of the appeal and asked BCBSM to provide the information used to make its final adverse determination. BCBSM furnished its response on April 21, 2015.

The issue in this external review can be decided by a contractual analysis. 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 was treated in the emergency room of [REDACTED], [REDACTED] on December 5 and 6, 2014. BCBSM approved coverage and applied a \$200.00 copayment to the approved amount for this care.

The Petitioner appealed the \$200.00 copayment requirement through BCBSM's internal grievance process. At the conclusion of that process, on February 6, 2015, BCBSM issued a final adverse determination affirming its decision. The Petitioner now seeks a review of that adverse determination from the Director.

III. ISSUE

Did BCBSM correctly apply a \$200.00 copayment to the Petitioner's emergency room care?

IV. ANALYSIS

Petitioner's Argument

In a March 22, 2015, letter filed with the request for external review the Petitioner wrote:

I am disappointed that the State of Michigan insisted that this new copay for hospital visits under the UAW contract. If for no other reason than an economic one, it makes no sense. I personally would have never agreed to this without the following caveats: the \$200.00 is to be paid only if either of the following occurs: there is no urgent care available within an immediate radius of the patient, and/or hospital care would be required for the conditions being treated, regardless of admittance. My condition met both these criteria. I know of no urgent care within a reasonable driving distance from my home that is open at the time of night I needed this medical care; and because my condition, a broken bone, required an orthopedic specialist, the only option was an emergency room (ER). My break required putting me out while specialists, who were called in for me, put my arm in traction and pulled my wrist together. If I had gone to an urgent care, the State of Michigan would have had two bills to pay, since I have no doubt they would have sent me to the ER. If further damage occurred to my wrist because I was forced to make that extra stop or from delay, I would have sued the state. The \$200.00 ER copay may be what is in the UAW contract, but economically it is illogical without caveats I mentioned above.

Respondents' Argument

In its final adverse determination, BCBSM wrote:

You are covered by the *State of Michigan Active Employee State Health Plan PPO Plan Booklet (Booklet)*. Page 13 of the *Booklet* outlines your coverage for emergency care services. Specifically, your health care plan requires you to pay a \$200.00 copayment for emergency room services. The copayment requirement is waived if you are admitted as inpatient. Because you were not admitted as an inpatient, you remain liable for the \$200.00 copay.

Director's Review

The Petitioner argues that the \$200 copayment for emergency room care should be waived if there was no urgent care facility within a reasonable distance or if the care required could not be provided in an urgent care center and a hospital emergency room was the only facility that could provide the care. There is no such provision in the benefit booklet.

The only provision for waiver of the \$200.00 copay is if the patient is admitted to the hospital as an inpatient. The Petitioner was not admitted to the hospital as an inpatient when she received her emergency room care. Therefore, the emergency room copayment cannot be waived and the Petitioner is responsible for the \$200.00.

The Director finds that BCBSM's application of the \$200.00 copayment to the Petitioner's emergency room care is consistent with the provisions in the benefit booklet.

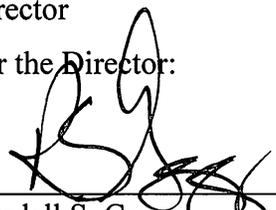
V. ORDER

The Director upholds BCBSM's February 6, 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.

Annette E. Flood
Director

For the Director:



Randall S. Gregg
Special Deputy Director