

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. 147190-001

Blue Cross Blue Shield of Michigan
Respondent

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

ORDER

I. PROCEDURAL BACKGROUND

On April 6, 2015, ██████████ (Petitioner) filed a request with the Director of Insurance and Financial Services for an external review under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.* On April 13, 2015, after a preliminary review of the information submitted, the Director accepted the request.

The Petitioner has his primary health insurance through Medicare. He receives additional benefits through Blue Cross Blue Shield of Michigan's *Blue Shield 65 G-I Benefits Certificate* which pays some benefits not covered by Medicare. The Director notified Blue Cross Blue Shield of Michigan (BCBSM) of the external review request and asked for the information used to make its final adverse determination. The Director received BCBSM's response on April 21, 2015.

This case can be resolved by applying the terms of the Petitioner's coverage; it does not require a medical opinion from an independent review organization. See MCL 550.1911(7).

II. FACTUAL BACKGROUND

On November 20, 2014, the Petitioner (████ years old at that time) had an appointment with ██████████, who has a surgical practice in ██████████. Based on the Petitioner's medical history, ██████████ recommended a colonoscopy which was subsequently performed on January 23, 2015 at ██████████. Medicare provided coverage for the

colonoscopy but made no payment for the November 20 appointment with [REDACTED]. The claim was then presented to BCBSM which also denied coverage.

The Petitioner appealed BCBSM's denial through its internal grievance process. At the conclusion of that process, BCBSM issued a final adverse determination dated February 11, 2015, affirming its denial of coverage. The Petitioner now seeks a review of that final adverse determination from the Director.

III. ISSUE

Did BCBSM correctly deny coverage for the November 20, 2014 appointment with [REDACTED]

IV. ANALYSIS

BCBSM's Argument

In its final adverse determination, BCBSM wrote:

After review, I confirmed that payment was denied correctly. Your health care plan does not provide coverage for office visits. You are liable for the charge incurred.

You are covered under the *Blue Shield 65 G-I Benefit Certificate*. **Section 4: What Is Not Covered**, Page 4.1, explains that [BCBSM] does not pay for office medical visits. While *Rider HCR-MS-PCB Health care Reform –Medicare Supplemental-Preventive care Benefits*, which amends your policy, does expand coverage to include preventive care services for a colonoscopy as mandated by the patient Protection and Affordable Care Act (PPACA), office visits are not included with the colonoscopy preventive care benefit.

To ensure all consideration was given to the appeal, a board-certified M.D. in Internal Medicine reviewed the medical documentation provided by your health care providers, your claim, your appeal, and your health care plan benefits for [BCBSM], and explained the following:

All the provided information is reviewed. This [REDACTED] year old member was seen on November 20th last year for evaluation and planning for colonoscopy. Although an office visit for evaluation for colonoscopy is medically appropriate, this member has a contract that does not have the benefit to cover the office visit. Approval of colonoscopy as a covered benefit is appropriate but an office visit is not a benefit of his contract. Although the office visit (99204) is medically appropriate, it cannot be approved. Denial is on the basis of the benefit.

As explained by our medical consultant, a new patient office visit was performed appropriately within the standards of care to evaluate and plan for your procedure. The office visit procedure is not inclusive of the colonoscopy procedure performed on January 23, 2015.

Petitioner's Argument

In his appeal filed with BCBSM, the Petitioner wrote:

On November 20, 2014, I presented at [REDACTED] office for a consultation on connection with a colonoscopy to be set for January or February 2015. The exclusive reason for the consult was to assess my fitness for the surgery, a colonoscopy. The refusal to pay for this surgery-connected colonoscopy service as "not a benefit" is utterly without foundation.

The Petitioner believes that since his office visit was medically necessary as part of his colonoscopy that BCBSM is required to pay for this care.

Director's Review

The *Blue Shield 65 G-I* certificate, on page 4.1, states, "We do not pay for...home and office medical visits." The Petitioner believes that, because the November 20 appointment was to screen him for the colonoscopy, it should not be subject to the office visit exclusion.

The Director notes that [REDACTED], in his office notes, used CPT code 99204 to classify the appointment.¹ CPT code 99204 is defined in the CPT manual as:

Office or other outpatient visit for the evaluation and management of a new patient, which requires these 3 key components:

- A comprehensive history;
- A comprehensive examination;
- Medical decision making of moderate complexity.

BCBSM processed the claim as submitted, as an office visit. Physician office visits are specifically excluded from coverage under the Petitioner's benefit plan. There is no exception for office visits which might be described as pre-surgical consultations. Therefore, the Petitioner's November 20, 2014 visit with [REDACTED] is not a covered benefit.

1. Medical care is classified according to a numerical coding system compiled by the American Medical Association and published in its manual, *Current Procedural Terminology*. The codes in this manual, usually five digit numbers, are commonly referred to as "CPT codes" and are used by providers and others to describe medical services when claims are submitted to insurers.

The Director finds that BCBSM's denial of coverage was consistent with the terms of the *Blue Shield 65 G-I* certificate.

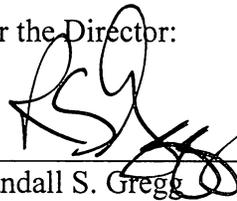
V. ORDER

The Director upholds BCBSM's final adverse determination of February 11, 2015.

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:



Randall S. Gregg
Special Deputy Director