

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. 151921-001

Blue Cross Blue Shield of Michigan
Respondent

Issued and entered
this 17th day of February 2016
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On January 27, 2016, ██████████ (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.* The Director accepted the request on February 3, 2016.

The Petitioner receives health care benefits under a group plan that is underwritten by Blue Cross Blue Shield of Michigan (BCBSM). His benefits are defined in the *Blue Cross Premier Gold Benefits Certificate*. The Director notified BCBSM of the request and asked for the information used to make its final adverse determination. BCBSM furnished its response on February 9, 2016.

The issue here 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 underwent a vasectomy in December 2014 and immediately began experiencing persistent pain. Unable to achieve relief, his physician requested authorization from BCBSM to perform a vasovasostomy (reversal of a vasectomy). BCBSM denied coverage. The Petitioner appealed the denial through BCBSM's internal grievance process.

On December 1, 2015, unable to tolerate the constant pain, the Petitioner underwent the vasovasotomy. The following day, at the conclusion of the internal grievance process, BCBSM issued its final adverse determination upholding its denial of coverage. The Petitioner now seeks the Director's review of that adverse determination.

III. ISSUE

Did BCBSM correctly deny coverage for the vasovasotomy the Petitioner received on December 1, 2015?

IV. ANALYSIS

BCBSM's Argument

In its December 2, 2015 adverse determination, BCBSM wrote:

The purpose of the conference was to discuss the denial of prior authorization for a surgical procedure, vasectomy reversal (to be reported under procedure code 55400). After review, the denial of prior authorization for this surgical procedure is maintained because reversal of voluntary sterilization for males is not a covered benefit under your health care plan. Therefore, prior authorization cannot be approved.

You are covered under the *Blue Cross Premier Gold Benefits Certificate*. In **Section 3: What BCBSM Pays For, under Surgery: Sterilization**, on page 107 of the certificate, it states that whether or not medically necessary, reversal of voluntary sterilization for males is not covered.

I understand that you feel this surgical procedure is medically necessary; however, BCBSM must administer your benefits according to the provisions of your health care plan. Therefore, an exception cannot be made on your behalf.

Petitioner's Argument

In his request for external review, the Petitioner wrote:

I had a vasectomy in December 2014 with immediate onset of scrotal pain. The pain was constant and often extreme to the point I could not walk for long periods of time. Over nearly a year I saw 7 different urologists to try and fix the problem (see) my letter). [BCBSM] has evidence it is ongoing. [REDACTED] MD, Director of [REDACTED] [REDACTED] of the Department of Urology at the [REDACTED], both in writing and verbally expressed the vasovasotomy was for medical necessity (procedure on 12/1/15). There are two letters from [REDACTED]. The first explains the medical necessity prior to the surgery and the second includes finding post-surgery that further show this was for medical necessity. I have no interest in fertility, the procedure was solely out of medical necessity and I am seeking it to be covered as such.

In a letter to BCBSM dated December 18, 2015, the Petitioner's doctor wrote:

[Petitioner] is a [REDACTED] year old gentleman who underwent a vasectomy in 2014 with immediate onset of scrotal content pain immediately following the vasectomy. He underwent other interventions for this pain including NSAIDS, antibiotic therapy x 4 with recurrence of pain immediately after stopping medication. [Petitioner] underwent bilateral vasovasotomy December 1, 2015. Final pathology indicates inflammatory findings with focal vasitis nodosa and chronic inflammation that may explain the Petitioner's persistent pain following the vasectomy.

Director's Review

The *Blue Cross Premier Gold Benefits Certificate* (page 107) includes this provision describing coverage for sterilization surgery:

Section 3: What BCBSM Pays For

* * *

Surgery

* * *

- Sterilization (whether or not medically necessary), including for males in a physician's office or other approved location

* * *

Note: Reversal of voluntary sterilization for males is *not* covered.

The Petitioner argues that the vasovasostomy procedure he had on December 1, 2015, was not performed to achieve fertility, but was medically necessary to relieve the persistent pain he had following a vasectomy in 2014. BCBSM does not question the medical necessity of the vasovasostomy. BCBSM denied coverage because the procedure is explicitly excluded from coverage regardless of medical necessity.

There are no stated exceptions or circumstances under which coverage is provided for the reversal of a voluntary sterilization. Therefore, the Director finds that BCBSM's denial of the Petitioner's vasovasostomy performed on December 1, 2015, albeit medically necessary, is not a covered benefit under the terms of the *Blue Cross Premier Gold Benefits Certificate*.

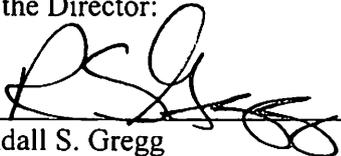
V. ORDER

The Director upholds BCBSM's final adverse determination of December 2, 2015.

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 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 Financial and Insurance Regulation, Office of General Counsel, Post Office Box 30220, Lansing, MI 48909-7720.

Patrick M. McPharlin
Director

For the Director:



Randall S. Gregg
Special Deputy Director