

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. 148097-001-SF

██████████, **Plan Sponsor**

and

BCN Service Company, Plan Administrator

Respondents

Issued and entered
this 1st day of July 2015
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On May 29, 2015, ██████████, on behalf of his son ██████████ (Petitioner), filed with the Director of Insurance and Financial Services a request for an external review under Public Act 495 of 2006, (Act 495) MCL 550.1951 *et seq.* The request concerned a denial of coverage for substance abuse treatment. Act 495 authorizes the Director to conduct external reviews for individuals 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 Petitioner receives health care benefits as a dependent under a self-funded governmental health plan sponsored by ██████████. BCN Service Company (BCNSC) administers the health plan. The benefits are defined in the *U-M Premier Care* benefit document.

As originally filed, the Petitioner's request for review was incomplete. Additional information was provided on June 16, 2015 and, at that time, the Director accepted the case for review.

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 review by an independent review organization.

establishes our son's adamant refusal of voluntary admission into a drug treatment service. To this day, no one at BCN can seem to tell us what it is we should have done to save our son's life or which service within the [REDACTED] Premier Care Network would you have received him on an involuntary basis.

In a letter dated January 7, 2015, Petitioner's parents detailed his drug abuse history and asserted that the [REDACTED] was the only facility they could find that was able to provide the care the Petitioner needed and that would accept the Petitioner on an involuntary admission basis.

Respondent's Argument

In its final adverse determination, BCNSC wrote:

We based our decision on the fact that the records submitted did not provide any documentation that a Blue Care Network (BCN) in network facility could not have supplied the service or level of care, that [REDACTED] provided...In addition, your certificate requires prior approval to verify medical necessity for any elective service performed out of state.

Director's Review

The [REDACTED] *Premiere Care* benefit document describes substance abuse treatment services in Section 8.17 which includes this provision:

All Substance Abuse/Chemical Dependency treatments must be provided in an approved Facility or by a Participating Provider and be Preauthorized as Medically Necessary except in an emergency. (See Section 8.6)

Section 8.6 defines "medical emergency" and describes the coverage available for medical emergencies:

Medical Emergency – the sudden onset of a medical condition that manifests itself by signs and symptoms of sufficient severity, including severe pain, such that the absence of immediate medical attention could reasonably be expected to result in serious jeopardy to your health....

* * *

Emergency and Urgent Care Services are covered up to the point of Stabilization when they are Medically Necessary and needed either 1) for immediate treatment of a condition that is a Medical Emergency as described above or 2) if the Primary Care Physician directs you to go to an emergency care Facility.

The Petitioner's treatment was obtained without prior authorization from BCNSC. In addition, his treatment does not meet the definition of a medical emergency since his parents did not seek immediate care but, over a period of time, researched and selected the treatment facility they felt was most suitable and then transported the Petitioner from Michigan to Montana to receive treatment.

The Director finds that BCNSC's denial of coverage for Petitioner's residential treatment at the [REDACTED] was consistent with the terms and conditions of the [REDACTED] *Premiere Care* benefit document.

V. ORDER

The Director upholds BCNSC's March 30, 2015, final adverse determinations.

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:



Randall S. Gregg
Special Deputy Director