

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. 150863-001

Blue Care Network of Michigan,

Respondent.

Issued and entered
this *8th* day of December 2015
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

██████████ (Petitioner) believes that she was unnecessarily required to pay out of pocket for a medical service and disputes the decision of her health plan to apply its approved amount for that service to her deductible.

On November 12, 2015, the Petitioner filed a request with the Director of Insurance and Financial Services for an external review of the health plan's decision under the Patient's Right to Independent Review Act (PRIRA), MCL 550.1901 et seq.

The Petitioner has individual health care coverage through Blue Care Network of Michigan (BCN), a health maintenance organization. The Director immediately notified BCN of the external review request and asked for the information it used to make its final adverse determination. BCN provided its response on November 16, 2015. On November 19, 2015, after a preliminary review of that information submitted, the Director accepted the request.

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 an opinion from an independent review organization.

II. FACTUAL BACKGROUND

The Petitioner's benefits are defined in BCN's *Certificate of Coverage for Individuals* (the certificate). The certificate is amended by the *Medical Cost Sharing Rider Silver 73* (the rider).

The Petitioner complained of headaches at an examination on July 30, 2015. Magnetic resonance imaging (MRI) was performed on August 5, 2015. However the MRI results were inconclusive so her physician ordered a computed tomography (CT) scan. It was performed on August 18, 2015. Both diagnostic procedures were performed by an in-network provider.

BCN's approved amount for the MRI was \$199.44 and its approved amount for the CT scan was \$274.71; it applied both amounts to the Petitioner's annual deductible, a total of \$474.15.¹

The Petitioner believes that only the CT scan was required to diagnose her condition. She objects to having to pay the deductible for the MRI and wants it waived. She appealed through BCN's internal grievance process. At the conclusion of that process BCN issued a final adverse determination dated September 25, 2015, affirming its benefit determination. The Petitioner now seeks a review of that final adverse determination from the Director.

III. ISSUE

Did BCN correctly process the claim for the Petitioner's MRI services?

IV. ANALYSIS

Petitioner's Argument

In her external review request the Petitioner wrote:

My physician requested a CT scan initially, the insurance company denied this request and approved a MRI instead. I was required to pay \$200.00 as copay for this procedure. A week later the radiologist stated that the results were inconclusive and recommended a CT scan. I was required to pay an additional \$247.00 [*sic*] for this procedure. I am seeking reimbursement for the second copay

Respondent's Argument

¹ There is no dispute that both the MRI and the CT scan were subject to the deductible under the terms of the rider, or that the deductible had not been met at the time the services were performed.

In its final adverse determination, BCN's representative wrote:

. . . After thorough review of the case, the [*grievance*] Panel denied your request for payment of the deductible for the CT scan performed on 08/18/15. At no time was a request for a CT scan denied. The deductible was appropriately applied per your certificate of coverage and applicable Medical Cost Sharing Rider Silver 73.

Director's Review

As the Petitioner said, the initial request was for a CT scan. Apparently the requesting provider agreed instead to an MRI when the Petitioner did not automatically meet the criteria for a CT scan established by EviCore, BCN's radiology benefit manager. BCN explained the approval process:

[O]ur vendor for radiology services, EviCore . . . has an on-line and telephone process where requesting providers contact them for authorization approval of certain radiology services. . . . There is an interaction of questions and answers between the provider and EviCore. Based on the information supplied by the provider, EviCore immediately approves the requested service or informs the provider as to the procedure that the criteria automatically meets. The provider replies to whether they want approval for the procedure that the criteria has met, or they decline the alternative procedure and proceed further with the approval process. The provider may be asked to submit medical documentation to support their request, which is reviewed by an EviCore nurse and then an MD. The provider also has the option to participate in a peer-to-peer telephone conversation with an MD for further review. If the request is denied, the provider and member are given their rights to appeal the denial with BCN. [The Petitioner's] initial request was for a CT scan but met criteria for an MRI, which the provider verbally authorized EviCore to proceed with for approval.

Presumably the MRI results were inconclusive, and a CT scan was subsequently approved. It was performed on August 18, 2015. The Petitioner feels she should not be responsible out of pocket for the MRI because it was unnecessary; only the CT scan produced useful diagnostic information.

Unfortunately, that is not an issue that can be resolved in a review under the Patient's Right to Independent Review Act. Both the MRI and the CT scan are covered benefits under the certificate and both were ordered and performed by qualified providers. In this review, the Director can only determine if BCN correctly administered benefits in accord with the terms and conditions certificate, and the Director concludes that it did.

The Petitioner must take up with her physicians the issue of why the MRI was substituted for the CT scan that was initially recommended.

V. ORDER

The Director upholds BCN's September 25, 2015, final adverse determination.

This is a final decision of an administrative agency. Any person aggrieved by this order may seek judicial review no later than sixty days from the date of this order in the circuit court for the Michigan county where the covered person resides or 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