

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. 148387-001

HealthPlus of Michigan, Inc.

Respondent.

Issued and entered
this 20th day of July 2015
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On June 17, 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.*

The Petitioner receives health care benefits through HealthPlus of Michigan, Inc., a health maintenance organization. The Director notified HealthPlus of the external review request and asked for the information it used to make its adverse determination. HealthPlus furnished its response on June 19, 2015. After a preliminary review of the material received, the Director accepted the request on June 24, 2015.

To address the medical issue in this case, the Director assigned it to an independent medical review organization which provided its analysis and recommendation on July 7, 2015.

II. FACTUAL BACKGROUND

The Petitioner's health care benefits are defined in the HealthPlus *Group Subscriber Contract-NG* (the contract). *Benefit Rider CL* amends the contract.

The Petitioner has type 2 diabetes. His physician requested authorization for a continuous glucose monitor with sensors to manage his diabetes.

HealthPlus denied the request on the basis that the Petitioner did not meet its medical criteria for coverage of the device.

The Petitioner appealed the denial through HealthPlus's internal grievance process. At the conclusion of that process, HealthPlus issued a final adverse determination dated April 27, 2015 affirming its denial. The Petitioner now seeks a review of that final adverse determination from the Director.

III. ISSUE

Did HealthPlus correctly deny coverage for the Petitioner's continuous glucose monitor with sensors?

IV. ANALYSIS

Petitioner's Position

The request for external review form had this statement:

Requesting the sensor is covered for diabetes pump. Blue Cross Blue Shield was going to cover it, but we waited until we could take the time to learn the system. When we switched now to HealthPlus it is denied. [The Petitioner] checks his blood 8-9 times a day to make sure he is not going low. His A1C is higher because of this.

On a "CGM Continuous Glucose Monitoring" form dated December 2, 2014, the Petitioner's physician noted the clinical indications for long-term use of a continuous glucose monitoring system:

- Wide fluctuations in blood glucose values from 31 to 400 mg/dl
- Hypoglycemia unawareness
- AM hyperglycemia (Dawn Phenomenon)
- Nocturnal hypoglycemia
- Fasting hyperglycemia > 150 mg/dl
- Inadequate glycemic control despite appropriate adjustments in insulin therapy and compliance with frequent self-monitoring
- Recent A1C value 7.4% on December 2, 2014

Respondent's Position

In its final adverse determination, HealthPlus explained to the Petitioner its reasons for denying coverage for the continuous glucose monitor:

HealthPlus of Michigan (HPM) staff has reviewed your grievance requesting approval of a denied authorization request for a continuous glucose monitor

(CGM). . . . Your case has been reviewed by a HPM Medical Director, a D.O. board certified in Family Practice. He has determined to uphold the denial.

His decision is based on HPM's Reference and Control (R&C) Operational Guidelines, which states that CGM is an

Acceptable alternative to standard insulin pumps for members with diabetes who have recurrent episodes of severe symptomatic hypoglycemia that occurs without warning.

Documentation submitted by you and [REDACTED] Rehabilitation, which includes medical records, does not establish episodes of symptomatic hypoglycemic unawareness; therefore the request for the CGM remains denied, as not medically necessary. Medical necessity is a prevailing factor when authorizing services.

This is supported by your . . . Subscriber Contract, **Section II – Covered Services**, which states

Only services that are Medically Necessary according to generally accepted standards of practice as determined by an HPM Medical Director are Covered Services under this Rider.

Director's Review

Blood glucose monitors are covered as a diabetic service when medically necessary and obtained from an affiliated provider (*Benefit Rider CL*, p. 19). HealthPlus said the Petitioner did not meet its medical necessity guidelines, specifically, that he did not have "episodes of symptomatic hypoglycemic unawareness," and therefore denied coverage. *Benefit Rider CL* (p. 29) excludes coverage for "[s]ervices and supplies to the extent not Medically Necessary for the diagnosis and treatment of injury, illness, or pregnancy."

To determine if a continuous glucose monitor is medically necessary to manage the Petitioner's diabetes, the Director assigned this case to an independent review organization (IRO) as required by section 11(6) of the Patient's Right to Independent Review Act, MCL 550.1911(6).

The IRO physician reviewer is certified by the American Board of Internal Medicine with a subspecialty in endocrinology, diabetes, and metabolism; is published in peer reviewed literature, and is in active practice. The IRO report included the following analysis and recommendation:

Reviewer's Decision and Principal Reasons for the Decision:

It is the determination of this reviewer that the enrollee does meet the HealthPlus Reference and Control Operational Guidelines for coverage of the continuous glucose monitor transmitter and sensors with MedEquip for diabetes and therefore, the requested medical supplies are medically necessary for the treatment of the enrollee's condition.

Clinical Rationale for the Decision:

Questions to Answer:

1. **Does the Petitioner meet the HealthPlus Reference and Control Operational Guidelines for coverage of the continuous glucose monitor and sensors with MedEquip for diabetes?**

The HealthPlus Reference and Control Operational Guideline states that the continuous glucose monitor and sensors are covered for patients who have recurrent episodes of severe symptomatic hypoglycemia that occurs without warning who meet medical necessity criteria for external insulin pumps. This enrollee is having recurrent low blood glucose levels. He describes that he does not feel the blood glucose levels of 55 and has had it as low as 13. This provides evidence that there is little, if any, warning of the low blood glucose levels and that he is hypo-unaware.

2. **Are the requested medical supplies otherwise medically necessary for treatment of the Petitioner's condition?**

The continuous glucose monitor is medically necessary. In Section II, Definitions, 2.44 Medical Necessity is defined. According to the definition of medical necessity, the criteria are met for the continuous glucose monitor because it meets widely accepted criteria, is not for comfort or convenience and is not excessive in cost. A continuous glucose monitor is now standard of care for patients with hypo-unawareness like this enrollee.

Tamborlane et. al. conducted a multicenter clinical trial focusing on the value of continuous glucose monitoring. This study concluded that the continuous glucose monitoring was associated with improved glycemic control in adults with type 1 diabetes mellitus.

The enrollee is having blood glucose lows (and severe lows) despite the use of a pump. He checks his blood glucose levels nine (9) to ten (10) times a day and still has some lows. He indeed is having fewer severe lows because he checks so often but he is still having blood glucose levels in the 30s and 50s. These are levels that can, and appear to have, resulted in cognitive and neurologic deficits (the enrollee wrote he began to black out).

Recommendation:

It is the recommendation of this reviewer that the denial issued by HealthPlus of Michigan, Inc. for the continuous glucose monitor transmitter and sensors with MedEquip for diabetes be overturned.

The Director is not required to accept the IRO's recommendation. *Ross v Blue Care Network of Michigan*, 480 Mich 153 (2008). However, the recommendation is afforded deference by the Director. In a decision to uphold or reverse an adverse determination, the

Director must cite “the principal reason or reasons why the [Director] did not follow the assigned independent review organization’s recommendation.” MCL 550.1911(16)(b). The IRO’s analysis is based on extensive experience, expertise, and professional judgment and is not contrary to any provision of the Petitioner’s certificate of coverage. MCL 550.1911(15).

The Director, discerning no reason why the IRO’s recommendation should be rejected, finds that the requested continuous glucose monitor with sensors is medically necessary to treat the Petitioner’s condition and is therefore a covered benefit.

V. ORDER

The Director reverses HealthPlus’ April 27, 2015, final adverse determination.

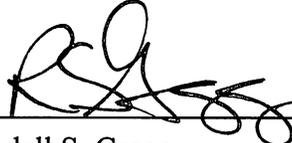
HealthPlus shall immediately cover the requested continuous glucose monitor with sensors, and shall, within seven days, furnish the Director with proof it has implemented this Order.

To enforce this Order, the Petitioner may report any complaint regarding its implementation to the Department of Insurance and Financial Services, Health Care Appeals Sections, at this toll free telephone number: (877) 999-6442.

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 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