

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
Before the Director of Insurance and Financial Services

In the matter of:

██████████
Petitioner

v

HealthPlus of Michigan, Inc.
Respondent

File No. 149839-001

Issued and entered
this 6th day of October 2015
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On September 15, 2015, ██████████ on behalf of his wife ██████████ (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 550.1951 *et seq.*

The Petitioner receives health care benefits under a plan issued by HealthPlus of Michigan, Inc., a health maintenance organization. The benefits are defined in the HealthPlus *Group Subscriber Contract-NG* and *Benefit Rider DU*. The Director notified HealthPlus of the request and asked for the information used to make its final adverse determination. HealthPlus submitted its response on September 16, 2015. After a preliminary review of the material submitted, the Director accepted the request on September 22, 2015.

The issue in this external review can be decided based on an analysis of the certificate. The Director reviews contractual issues under MCL 500.1911(7). This matter does not require a medical opinion from an independent review organization.

II. FACTUAL BACKGROUND

The Petitioner's infertility physician requested authorization for intrauterine insemination (IUI) for the Petitioner including artificial insemination by donor (AID), and sperm washing. HealthPlus denied the request.

The Petitioner appealed the HealthPlus denial through its internal grievance process. At the conclusion of the process, HealthPlus issued a final adverse determination dated September

9, 2015, affirming the denial. The Petitioner now seeks a review of that determination from the Director.

III. ISSUE

Did HealthPlus properly deny coverage for the Petitioner's IUI and related AID services?

IV. ANALYSIS

In its final adverse determination to the Petitioner, HealthPlus wrote that its decision was "based on the fact that donor services and all associated costs are not a covered benefit under the terms and conditions of your Benefit Rider." In support, HealthPlus cited section 2.2(R) "Benefit Limitations and Exclusions" of *Benefit Rider DU*.

In his request for an external review, the Petitioner's husband wrote:

My wife and I are currently in the process to try to have children. When we started this process, we verified (customer services) all the applicable coverages that were covered under our health benefits through HealthPlus were at 50%.

During the process, a specialist diagnoses me with a medical condition, therefore not allowing me to have children. We were referred to an infertility specialist. This specialist sent away for a "Prior Authorization" to the health carrier for all services to be rendered during an IUI (in-vitro) process. We were shocked to hear that because I would be using a "donor" specimen (specialist recommendation), HealthPlus denied the entire IUI procedure and all associated coverages/benefits.

I inquired with the customer service area, and they told me that because I was using a donor, the "condition" makes the applicable rider "null and void"...and is therefore a non-covered benefit through HealthPlus.

Benefit Rider DU lists the benefits available under the Petitioner's benefit plan. Section 1.16(B) of the rider describes the coverage available for family planning services:

Except as provided in Section 2.2 R, services for diagnosis, counseling, and treatment of infertility when Medically Necessary in accordance with generally accepted medical practice and when authorized in advance by the Member's Primary Care Physician and HPM. Following the initial sequence of diagnostic work-up and treatment, additional work-ups and treatment will be undertaken only when determined to be Medically Necessary by a Plan Physician and authorized in advance by HPM...

Section 2.2 lists the health plan's coverage exclusions. Subsection (R) excludes coverage for the following services:

Reversal of a voluntary sterilization and the following infertility services are specifically excluded: In Vitro Fertilization and associated services; Gamete Intro Fallopian Transfer and associated services; Zygote Intro Fallopian Transfer and associated services; *Donor Artificial Insemination and all associated costs, including sperm bank services*; pre-embryo cryo-preservation techniques and associated services; infertility services if one of the partners has previously undergone surgical sterilization or if one of the partners is menopausal or postmenopausal; all fees related to surrogate parenting arrangements of any kind (not including maternity care and services otherwise covered by this Rider), or costs reimbursed pursuant to a surrogacy agreement. [Emphasis added.]

The Petitioner's request was for IUI (intrauterine insemination) using a donor specimen. Donor artificial insemination and all associated costs are explicitly excluded under section 2.2(R) of the rider. Therefore, they are not covered benefits under the Petitioner's HealthPlus coverage. Although the requested services were recommended by Petitioner's doctor, they are not benefits HealthPlus is required to cover.

The Director finds that the HealthPlus denial of coverage for the Petitioner's artificial insemination and related services is consistent with the terms and conditions of the HealthPlus benefit plan.

V. ORDER

The Director upholds HealthPlus's September 9, 2015 final adverse determination. HealthPlus is not required to provide coverage for the Petitioner's artificial insemination and associated costs.

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