

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

In the matter of:

██████████
Petitioner

File No. 150354-001

v

United Healthcare Community Plan, Inc.
Respondent

Issued and entered
this 3rd day of November 2015
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On October 14, 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 has individual health care coverage as a member of United Healthcare Community Plan, Inc. (United), a health maintenance organization. The benefits are defined in United's *Silver Compass 150 Individual Medical Policy*.

The Director notified United of the external review request and asked for the information it used to make its final adverse determination. United provided its initial response on October 21, 2015. After a preliminary review of the information submitted, the Director accepted the case for review.

The issue in this external review can be decided by a contractual analysis. 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 doctor ordered x-rays and physical therapy. One group of x-rays was provided at a facility that participates with United's provider network. United provided coverage for those x-rays. The other x-rays were provided at ██████████, a facility that does not participate with United. The charge for the ██████████ x-rays was \$346.00. United denied coverage.

The Petitioner appealed the denial of coverage for the ██████████ x-rays through United's internal grievance process. At the conclusion of that process, United maintained its denial and issued a final adverse determination dated October 5, 2015. The Petitioner now seeks a review of that final adverse determination from the Director.

III. ISSUE

Did United correctly deny coverage for the Petitioner's radiology services received at [REDACTED] on April 2, 2015?

IV. ANALYSIS

Petitioner's Argument

In her appeal letter the Petitioner wrote:

I called the number on the back of my card following my appointment with my physician on 4-2-15. The call was recorded. I let the representative know that I had just seen my doctor, she had written 2 orders, and I was calling to insure the services would be covered. The 1st order was "XRAY Chest two views and XRAY Shoulder complete Left to be performed." The United Healthcare representative said "this is a covered service." The 2nd order was [REDACTED] "Physician Goals include pain relief, increased function. Physical Therapist to evaluate and treat. Twice per week for a duration of 6 weeks. This referral is good for 12 visits." The representative said I would need to go to [REDACTED] not [REDACTED] and that I have up to 31 visits annually. I find it interesting that the representative redirected my PT services, but not the XRAY. The representative obviously missed that, and I relied on him to provide accurate information. I believe United Healthcare is responsible and accountable for the information their representatives provide and therefore should pay the claim.

Respondent's Argument

In its final adverse determination, United wrote:

The claim was processed correctly because the provider is out of network with your health plan. You are responsible for verifying the participating status of a provider prior to receiving health services. You may contact United Healthcare's Customer Care department at the phone number on the back of your identification card or you can contact www.myuhc.com.

Please note that the panel reviewed the phone recordings. We were unable to verify that you were given incorrect benefit information. We show that you inquired on specific physicians but not the facility.

Director's Review

X-rays are a covered service under the Petitioner's benefit plan. However, it is also true that x-rays (and any other medical service) must be obtained from a United network provider in order to be covered. A fundamental premise of a health maintenance organization (HMO) is the centralization of health care delivery within a network of providers. Requirements that a member use providers who are part of an HMO's network are typical of managed care contracts. HMOs operate within a network of

providers who sign contracts to charge specially negotiated rates for services they provide to the HMO's members. The discounted rates are a primary method of cost containment that ultimately benefits every member.

Page 1 of the United *Silver Compass 150 Individual Medical Policy* Schedule of Benefits states:

You must see a Network Physician in order to obtain Benefits. Except as specifically described in this Schedule of Benefits, Benefits are not available for services provided by non-Network providers. This Benefit plan does not provide a Non-Network level of Benefits.

The Petitioner's appeal is based on her assertion that she called United to confirm that her scheduled x-rays would be covered and was told that they were a covered service. United responded that a recording of the telephone call had been reviewed and they could not verify that she had been given incorrect information. According to United, the Petitioner asked about physicians but not facilities. While there may have been a misunderstanding in the telephone conversation, United members can locate network providers by consulting the provider list on United's web site.

Under the PRIRA, the Director is limited to determining whether an insurer's decision is consistent with the terms of the applicable policy or certificate of coverage. The Director cannot require an HMO or insurer to provide benefits not found in the applicable certificate of coverage or policy. In this case, the Petitioner had radiology services performed by [REDACTED], a non-network provider. United is not required to provide coverage for the non-network services.

V. ORDER

The Director upholds United Healthcare Community Plan's October 5, 2015 final adverse determination.

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