

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. 152487-001

Blue Cross Blue Shield of Michigan
Respondent

Issued and entered
this 23rd day of March 2016
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On March 2, 2016, ██████████ (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.* On March 9, 2016, after a preliminary review of the information submitted, the Director accepted the request.

The Petitioner receives health care benefits through a plan underwritten by Blue Cross Blue Shield of Michigan (BCBSM). The benefits are defined in BCBSM's *Community Blue Group Benefits Certificate*. The Director notified BCBSM of the external review request and asked for the information used to make its final adverse determination. The Director received BCBSM's response on March 16, 2016.

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 opinion from an independent review organization.

II. FACTUAL BACKGROUND

On August 25, 2015, the Petitioner had her annual physical examination. Her physician, a BCBSM network provider, ordered several laboratory tests. The tests were performed by Cellnetix Pathology, a non-participating, out-of-network provider. (Claims for several of the tests have not yet been submitted to BCBSM and are, therefore, not a part of this review.)

BCBSM has denied coverage for one test (procedure code 88141 – cytopathology, cervical or vaginal; requiring interpretation by physician). The charge for the test was \$49.00.

The Petitioner appealed the decision through BCBSM's internal grievance process. At the conclusion of that process, on February 5, 2016, BCBSM issued a final adverse determination affirming its decision. The Petitioner now seeks the Director's review of that determination.

III. ISSUE

Did BCBSM correctly process the claim for the Petitioner's cytopathology test?

IV. ANALYSIS

Petitioner's Argument

On the external review request form the Petitioner wrote:

I went to my IN NETWORK medical provider for my annual exam. A Pap smear was performed and is clearly stated on my policy that it is covered by my insurance. Without my knowledge my sample was sent to a lab company who is outside my network. [BCBSM] is refusing to cover a preventative test [and] the resulting additional tests that were performed. I am being charged \$254 for tests that should have been covered [and] would have been if I had known that the lab company was not in network [and] could have been changed.

BCBSM's Argument

In its final adverse determination to the Petitioner, BCBSM wrote:

Per your benefits, most preventive care services are covered only by an in-network provider. I confirmed that Cellnetix Pathology is a non-participating, out-of-network provider. Therefore, you remain liable for the non-covered charge of \$49.00.

You are covered under the *Community Blue Group Benefits Certificate ASC*. Page 72 of your certificate states:

Most preventive care services are covered only when performed by an in-network provider. However, colonoscopies, mammograms, and women's contraceptive services that are preventive in nature are covered whether performed by an in-network or out-of-network provider.

Director's Review

The Petitioner states that the test was a preventive test and should be covered by BCBSM. However, an insurer may require that a preventive test be performed by an in-network provider

in order to be covered. As BCBSM noted in its final adverse determination, the Petitioner's certificate of coverage states, "[m]ost preventive care services are covered only when performed by an in-network provider."

In this case, the provider, Cellnetix Pathology & Laboratories, is not a network provider. It is unfortunate that the Petitioner was not aware of that fact. However, BCBSM's claim decision is consistent with the terms and conditions of the *Community Blue* certificate of coverage. Therefore, the Director finds that BCBSM correctly processed the claim for that test.

V. ORDER

The Director upholds BCBSM's final adverse determination of February 5, 2016.

This is a final decision of an administrative agency. 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. See MCL 550.1915(1). 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