

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. 152797-001

Humana Medical Plan of Michigan, Inc.
Respondent.

Issued and entered
this 15th day of April 2016
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On March 22, 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.*

The Petitioner receives health care benefits under an individual medical policy through Humana Medical Plan of Michigan, Inc. (Humana), a health maintenance organization. The Director immediately notified Humana of the external review request and asked for the information it used to make its final adverse determination. Humana furnished the information on March 25, 2016. After a preliminary review of the material received, the Director accepted the request on March 29, 2016.

This case presents an issue of contractual interpretation. 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

The Petitioner's health care benefits are described in the *Individual Medical Policy* that includes riders, amendments, and notices (the policy).

The Petitioner was seen by ██████████ for removal of some moles. The mole specimens were sent to Beaumont Laboratory for pathology testing on June 30, 2014. Beaumont Laboratory is not in Humana's network for the Petitioner's plan.

Humana covered the office visit with [REDACTED] but denied coverage for the laboratory services, saying there was no authorization on file for the services to be obtained from a non-network provider. The charge for the laboratory services was \$210.00.

The Petitioner appealed Humana's benefit determination through its internal grievance process. At the conclusion of that process, Humana issued a final adverse determination dated March 11, 2016, affirming its decision. The Petitioner now seeks a review of that final adverse determination from the Director.

III. ISSUE

Did Humana deny coverage for the Petitioner's June 30, 2014, laboratory services?

IV. ANALYSIS

Respondent's Argument

In its final adverse determination, Humana told the Petitioner:

Unfortunately, we're unable to approve benefits for the laboratory service.

* * *

Beaumont Laboratory is not participating with your network, Detroit HMOx. Your policy indicates authorization must be obtained prior to receiving services from a non-network provider, unless such authorization cannot reasonably be obtained. Referral number 065300084 is for the services provided by [REDACTED]. There is no referral or authorization on file for the services provided by Beaumont Laboratory. Therefore, claim number 216142624 has been denied.

Petitioner's Argument

On Humana's "Grievance / Appeal Request Form" the Petitioner wrote:

I get moles checked for cancer, every year I get a skin check. If it looks weird they['d have] taken it off. Mole removal.

I had a referral, [REDACTED] MD is in network also Beaumont Laboratory is in network. The same procedure has been done in the past and it's covered (a mole removal to be tested). Every time I call Humana they say there is no reason this keeps getting denied.

Director's Review

According to Humana, Beaumont Laboratory is not in the provider network for the Petitioner's plan.¹ The policy (p. 42) has this provision regarding services from non-network providers:

¹ The Petitioner says Beaumont Laboratory is a network provider but furnished no information to substantiate that assertion.

Unless specifically stated otherwise, no benefits will be provided for, or on account of, the following items:

* * *

2. Services provided by a non-network provider, except when:
 - a. Authorized by us;
 - b. A referral is obtained from a primary care physician; or
 - c. The following services are medically necessary to render emergency care:
 - i. Professional ambulance service;
 - ii. Services in a hospital emergency room; or
 - iii. Services in an urgent care center. . . .

Under this provision, services would only be covered if the Petitioner's primary care physician had referred her to Beaumont Laboratory or if Humana had authorized the services. Nothing in the record supports a conclusion that either had occurred.

The Director therefore finds that Humana correctly denied coverage for the Petitioner's June 30, 2014, laboratory services from Beaumont Laboratory because there was no referral from the primary care physician or authorization from Humana.

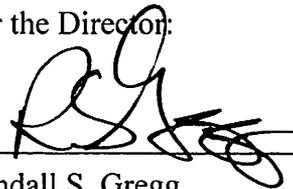
V. ORDER

The Director upholds Humana's March 11, 2016, 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