

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. 152279-001

Priority Health Choice, Inc.
Respondent

Issued and entered
this 11th day of March 2016
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On February 18, 2016, ██████████, mother of ██████████ (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 (PRIRA), MCL 550.1901 *et seq.*

The Petitioner receives health care benefits under a certificate of coverage issued by Priority Health Choice, Inc., a Medicaid health maintenance organization. The Director notified Priority Health of the external review request and asked for the information used to make its final adverse determination. The Director received Priority Health's response on February 22, 2016. After a preliminary review of the material submitted, the Director accepted the request on February 26, 2016.

The issue in this external review can be decided by a contractual analysis. The Director reviews contractual issues pursuant to MCL 500.1911(7). This matter does not require a medical opinion from an independent review organization.

II. FACTUAL BACKGROUND

Petitioner is an infant who has eosinophilic colitis, a disorder that affects his gastrointestinal tract. He has received treatment from various providers within the Priority Health network. His mother is now seeking authorization for Petitioner to receive an evaluation and second opinion from ██████████ at Cincinnati Children's Hospital Center for

Eosinophilic Disorders. [REDACTED] and Cincinnati Children's Hospital are not members of the Priority Health provider network.

Priority Health denied coverage and the Petitioner's parents appealed the denial through Priority Health's internal grievance process. At the conclusion of that process, on February 11, 2016, Priority Health issued a final adverse determination affirming its denial. The Petitioner's parents now seek the Director's review of that determination.

III. ISSUE

Is Priority Health required to provide coverage for the Petitioner's proposed out-of-state medical treatment?

IV. ANALYSIS

Respondent's Argument

In its final adverse determination, Priority Health explained its denial of coverage:

[S]ervices with Non-Participating Providers are not covered unless prior approved by Priority Health Choice, Inc. in accordance with the Certificate of Coverage. Cincinnati Children's Hospital is not a Priority Health Medicaid Participating Provider.

The Level 2 Review committee recognizes and understands the serious nature of [Petitioner's] medical condition, however, they felt medically appropriate treatment is available within the state of Michigan, such as at the University of Michigan Hospital. Therefore, the Appeal Committee did not feel it was appropriate to approve services at Cincinnati Children's Hospital at this time.

Petitioner's Argument

In a letter submitted with the external review request, the Petitioner's mother explained why she believes Priority Health should be required to provide coverage for the out of state treatment:

[Petitioner] is [REDACTED] and suffers from Eosinophilic Colitis (EC) – a little understood, rare and complex disease affecting many areas of life. Despite treatment for over a year through Helen DeVos Children's Hospital in Michigan Oliver has achieved minimal progress. His current GI [REDACTED] feels he cannot help him further and he needs to go to an eosinophilic specialist in Cincinnati....

Priority Health (Medicaid plan) have denied [REDACTED] seeing [REDACTED] at Cincinnati Children's Hospital, who is an Eosinophilic Gastrointestinal Disease (EGID) Specialist. Priority Health's position is that the same medical care is

available in the State of Michigan. They would like us to travel to U of M and receive care. I strongly disagree with this decision.

This disease has many facets requiring doctors in many fields including GI, Allergist, Immunology, nutritionist, psychologist, occupational therapist. I agree that a doctor in each of these fields is available in Michigan. However, despite multiple appointments with multiple different offices for a year, [REDACTED] is not thriving. Cincinnati is offering each of these fields under the umbrella of being specific experts in EGIDs – looking specifically at each area related to EC, with in-depth understanding as to how his disease affects the rest of the body.

His current medical care is unorganized, with little communication between doctors, minimal symptom management and offers no EC expertise or understanding. No doctor so far has even explained to me what his disease is – we have educated ourselves through other sources.

* * *

Travelling to Ann Arbor adds further stress to our family due to distance, as we also have a [REDACTED] to care for. I would gladly travel the distance if I felt they can offer anything more than Helen DeVos. But even his current GI feels that they have nothing to offer beyond Helen DeVos. So this means putting Oliver through another round of appointments, biopsies and tests with doctors who are as equally unable to understand EC as Helen DeVos. I have been in contact with several mothers of children with EC who have been to U of M with little to no progress....

In final summary, we have many doctors available to us in the Grand Rapids area and despite a year of treatment [REDACTED] health continues to fail and we spend every day with an emergency hospital bag packed at all times. U of M offers only the same doctors that DeVos offers – basically a second opinion at the cost of Oliver's quality of life while we continue to seek answers that are unlikely to be found at U of M. Cincinnati, however, assures us they can offer answers and quality of life, since each doctor in their program has an in depth understanding of this rare disease. Oliver simply needs this specialist.

Director's Review

The Priority Health *Medicaid Handbook and Certificate of Coverage* (page 50) provides:

The following is a list of exclusions from your coverage:

* * *

30. Non-Participating Providers

Providers who are not listed in our Provider Directory. For the most up-to-date directory, call our Customer Service Department or visit us at *priorityhealth.com*. Services and supplies from providers who have not contracted with us to provide services and supplies under this Certificate are not Covered, except in the case of:

- a. Medical Emergency or if approved by us in writing prior to obtaining the services and supplies....

It is understandable that the Petitioner's mother would want Petitioner treated at a facility that she believe offers the best care and greatest chance of success. However, the Priority Health

Medicaid Handbook and Certificate of Coverage provides coverage only for in-network providers.

While it is unfortunate that Petitioner's mother is not satisfied with the network providers, under the PRIRA, the Director is limited to determining whether a health plan has properly administered health care coverage under the terms and conditions of the applicable insurance policy. The Director cannot base a PRIRA order on a judgment about the relative merits of hospitals. Further, the opinion of the Petitioner's present physicians that the U of M is incapable of providing the treatment the Petitioner needs is simply speculation. The Director notes that Priority Health has indicated that non-network care may be approved if in-network care proves unsuccessful. Until that time, Priority Health coverage is limited to in-network care.

V. ORDER

The Director upholds Priority Health's February 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 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 Director 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