

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. 153109-001

UnitedHealthcare Community Plan, Inc.,

Respondent.

Issued and entered
this 27th day of April 2016
by Randall S. Gregg
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On April 6, 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.* After a preliminary review of the material received, the Director accepted the request on April 13, 2016.

The Petitioner had individual health care coverage through UnitedHealthcare Community Plan, Inc. (UHC), a health maintenance organization. The Director immediately notified UHC of the external review request and asked for the information it used to make its final adverse determination. UHC responded on April 15, 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

The Petitioner's health care benefits were defined in UHC's *Compass Individual Medical Policy* (the policy).

The Petitioner, pregnant at the time, obtained coverage with UHC through the health insurance marketplace effective October 1, 2015. In November 2015 she contacted Byram Healthcare Centers (Byram) about obtaining a breast pump, understanding that the order would not be placed until a month before her due date.

The Petitioner subsequently cancelled her UHC coverage effective November 30, 2015. On January 12, 2016, she received a breast pump from Byram. When Byram submitted a claim to UHC for \$200.00, it was denied because the Petitioner's coverage was not in effect on the date of service.

The Petitioner appealed the denial through UHC's internal grievance process. At the conclusion of that process, UHC issued a final adverse determination dated March 8, 2016, affirming its decision. The Petitioner now seeks a review of that final adverse determination from the Director.

III. ISSUE

Did UHC correctly deny coverage for the Petitioner's breast pump?

IV. ANALYSIS

Petitioner's Argument

The Petitioner's position was expressed in an undated letter to UHC that she submitted with her external review request:

I am writing this appeal letter to explain a situation I am currently experiencing. I had [UHC] in October and November 2015. According to your representative I talked to on February 3rd 2016 my coverage with [UHC] ended on November 30th 2015. I am pregnant and my doctor did not accept your insurance. I put an order in for a breast pump with Byram in November [2015] to which I was told when I was a month from my due date they would relook at my healthcare and if I was still covered they would send it and if not they wouldn't.

The month before my due date came and Byram contacted [UHC] to see if I was still covered and you guys told Byram I was 100% covered still on January 12th 2016 so they sent the breast pump to me. Now, I know I wasn't covered by [UHC] anymore so when the breast pump came to my house I called Byram to explain and find out how to return the breast pump and ironically they don't take returns.

I am not paying for this breast pump from Byram. One of [UHC's] representatives told Byram I was covered still on January 12, 2016 buy my

coverage ended on November 30th 2015. This mistake is 100% [UHC's] fault and since Byram doesn't take returns then this claim needs to be paid by [UHC].

Respondent's Argument

In its final adverse determination, UHC explained its denial:

The breast pump being appealed was denied for no effective coverage for the date of service(s). Our system shows that your coverage ended 11/30/2015.

* * *

In your health plan documents, Section 4 When Coverage Ends, it says:

* * *

When your coverage ends, we will still pay claims for Covered Health Services that you received before the date on which your coverage ended. However, once your coverage ends, we will not pay claims for any health services received after that date (even if the medical condition that is being treated occurred before the date your coverage ended).

You stated in your appeal letter that on 2/3/2016, you were advised by [UHC] that your coverage ended on 11/30/2015. Although we are unable to verify, it is possible that the system may not have been updated with the term date at the time the provider called to verify your coverage. You may contact [Byram] with the outcome of this appeal as they may be willing to make an exception to their return policy. [Byram] should have contacted you regarding your benefit coverage prior to ordering the breast pump. We regret any frustration or inconvenience that this may have caused.

Director's Review

The Petitioner says that UHC incorrectly informed Byram in January 2016 that she was still covered. UHC does not deny the Petitioner's assertion; it acknowledged the possibility of error because "the system may not have been updated with the term date at the time the provider called to verify . . . coverage." Because of that alleged misinformation, the Petitioner wants UHC to pay Byram's claim for the breast pump.

In this review under the Patient's Right to Independent Review Act the Director can only determine if UHC correctly administered benefits according to the terms of the policy. There is no dispute that the Petitioner's coverage with UHC ended on November 30, 2015, before Byram ordered the breast pump. The policy says that UHC will not pay any claims for services received after the date coverage ends. Therefore, the Director cannot compel UHC to cover the breast pump.

The Director finds that UHC's denial of coverage for the breast pump was consistent with the terms and conditions of the policy.

V. ORDER

The Director upholds UnitedHealthcare Community Plan, Inc.'s final adverse determination of March 8, 2016.

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