Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

I. DISPUTE

1. a. Whether there should be additional reimbursement for date of service 8-16-01.
   b. The request was received on 8-13-02.

II. EXHIBITS

1. Requestor, Exhibit I:
   a. TWCC 60 and Letter Requesting Dispute Resolution
   b. UB-92 (s)
   c. EOB/TWCC 62 forms/Medical Audit summary
   d. Medical Records
   e. Contract information
   f. Any additional documentation submitted was considered, but has not been summarized

2. Respondent, Exhibit II:
   No Carrier response was noted in the dispute packet. Per Rule 133.307 (g) (3), the Division forwarded a copy of the requestor's 14 day response to the insurance carrier on 9-12-02. Per Rule 133.307 (g) (4), the carrier representative signed for the copy on 9-17-02. The "No Response Found In File" sheet is included as Exhibit II of the Commission's case file.

3. Notice of Additional Information submitted by Requestor is reflected as Exhibit III of the Commission's case file.

III. PARTIES' POSITIONS

1. Requestor: Requestor: Letter dated 9-10-02:
   (Provider) charges the above-referenced services at a fair and reasonable rate. Specifically, these rates are based upon a comparison of charges to other Carriers and the amount of reimbursement received for these same or similar services. The amount of reimbursement deemed to be fair and reasonable by (Provider) is at a minimum of 70% of billed charges. This is supported by a managed care contract with "..." That is attached as Exhibit 1. This managed care contract supports (Provider's) argument that the usual and customary charges are fair and reasonable and at the very least, 70% of the usual and customary charges is fair and reasonable."

2. Respondent: No response noted in the dispute packet.

IV. FINDINGS

1. Based on Commission Rule 133.307(d) (1) (2), the only date of service eligible for review is 8-16-01.

2. The carrier denied the billed services reflected on the EOB as, "FEES – F – THE PROCEDURE CODE IS REIMBURSED BASED ON THE MEDICAL FEE SCHEDULE. IF ONE IS NOT MANDATED, THE UCR ALLOWANCE IS REIMBURSED FOR THE ZIP CODE AREA; BAMT – THE BILL IS REPRICED ACCORDING TO STANDARD WORKERS COMPENSATION PROCEDURES; TR17 – N – BILLED PROCEDURE CODE IS NOT ACCEPTED BY TWCC. PLEASE RESUBMIT WITH THE APPROPRIATE TWCC APPROVED PROCEDURE CODE".

3. Per the Requestor's Table of Disputed Services, the Requestor billed the Carrier $10,272.28 for services rendered on the date of service in dispute above.

4. Per the Requestor's Table of Disputed Services, the Carrier recommended payment in the amount of $5,259.53.

5. The amount in dispute according to the Table of Disputed Services is $5,062.28.

V. RATIONALE

Medical Review Division's rationale:

The UB-92 indicates the services were performed at an outpatient/ambulatory surgical center (ASC). The carrier, according to their denial on the EOB, has denied the disputed services as a "F" a fee reduction. Carrier has further asserted that the disputed services will be reimbursed at the UCR allowance for the zip code area. ASC services do not have a maximum allowable reimbursement rate or (MAR).

Pursuant to TWCC Rule 133.304, "At the time an insurance carrier makes payment or denies payment on a medical bill, the insurance carrier shall send, in the form and manner prescribed by the Commission, the explanation of benefits to the appropriate parties. The explanation of benefits shall include the correct payment exception codes required by the Commission's instructions, and shall provide sufficient explanation to allow the sender to understand the reason(s) for the insurance carrier's actions(s). A generic statement that simply states a conclusion such as 'not sufficiently documented' or other similar phrases with no further description of the reason for the reduction or denial of payment does not satisfy the requirements of this section." No carrier response was noted in the dispute packet. The Carrier's EOB has reflected the denial codes of "FEES" "BAMT" and "TR17N". The services rendered cannot be reimbursed pursuant to a MAR value in the fee guideline. Therefore the "F" denial is a moot point. ASC services are to be audited and reimbursed at a fair and reasonable reimbursement. The carrier's denial of "BAMT" and "TR17N" and their descriptors are not clear to the reviewer.

Therefore, additional reimbursement is recommended in the amount of **$5,062.28**.

The above Findings and Decision are hereby issued this 09th day of April 2003.

Lesa Lenart
Medical Dispute Resolution Officer
Medical Review Division

LL/ll

V. ORDER

Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Medical Review Division hereby ORDERS the Respondent to remit **$5,062.28** plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this order.

This Order is hereby issued this 09th day of April 2003.

Carolyn Ollar
Medical Dispute Resolution Officer
Medical Review Division

LL/ll