Texas Department of Insurance
Division of Workers' Compensation
Medical Fee Dispute Resolution, MS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645
512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

DWC Claim #:
Injured Employee:
Date of Injury:
Employer Name:
Insurance Carrier #:

Respondent Name
STATE FARM FIRE & CASUALTY CO

Carrier's Austin Representative Box
Box Number 01

MFDR Tracking Number
M4-08-4020-01

MFDR Date Received
FEBRUARY 19, 2008

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary as Stated on the Table of Disputed Services: "North Austin Medical Center Acct 55569001; Employer had not submitted Wkmn Comp info. Sante Rehabilitation… Employer had not submitted Wkmn Comp info. Future PT approved & Pd."

Amount in Dispute: $8,337.07

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "State Farm Insurance Company hereby files a motion for dismissal of this request for medical dispute resolution because the disputed services were not preauthorized and were not timely billed… The Austin Medical Center treated the claimant on May 16, 2007 through May 18, 2007 and submitted their bill to State Farm Insurance Company which was received on September 10, 2007. In accordance with with TDI/DWC Statute §408.027 health care providers are required to submit their bills for medical treatment/services within 95 days of the date of service. North Austin Medical Center should have submitted their bill no later than August 21, 2007. However, they did not submit their bill until September 10, 2007 which is 20 days past the 95 day timeline… The claimant had surgery on May 16, 2007 with continuation of care through her discharge from attending facility (North Austin Medical Center) on May 18, 2007. Preauthorization for surgery and continuum of care was not sought by either the claimant or the attending facility nor granted by State Fair Insurance Company… According to the 'Table of Disputed Services' submitted by the requestor, Sante Rehabilitation provide services to the claimant commencing on June 1, 2007 and extending through June 29, 2007. There is a record of State Farm Insurance Company's delegated agent (Forte) having granted preauthorization of 'AUTHORIZATION of outpatient post operative physical therapy, five (5) sessions over three (3) weeks to included therapeutic activities, manual therapy, and therapeutic exercises; as related to the low back.' However, request was not received until July 9, 2007 and was approved on July 13, 2007. Accordingly, the above referenced disputed services were not preauthorized… In summation, this request for medical dispute resolution should be dismissed in its entirety. The above referenced health care providers did not bill State Farm Insurance Company in the manner promulgated by TDI/DWC Rule 133.20(a)(1), and/or failed to obtain express written preauthorization prior to rendering the disputed services…"

Response Submitted by: John Fowler for State Farm Insurance Company, PO Box 92346, Austin, TX 78709

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
04/27/07, 05/09/07, 05/16/07, 05/17/07, 06/01/07, 06/04/07, 06/06/07, 06/08/07, 06/11/07, 06/13/07, 06/15/07, 06/18/07, 06/20/07, 06/22/07, 06/25/07, 06/27/07, 06/29/07	Out-of-Pocket Expenses for hospital bill; physical therapy, anesthesia and radiological services.	$8,337.07	$8,337.07

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §133.270 sets out the fee guidelines for out-of-pocket expenses for health care paid by the injured employee.
3. Texas Labor Code §408.027 sets out the time frames for health care providers to timely bill the insurance carrier.
4. The services in dispute were reduced/denied by the respondent with the following reason codes:
   - EOBs were not submitted by either party for the out-of-pocket expenses incurred by the injured employee. EOBs were submitted by the respondent for payments made to Sante Rehabilitation. The respondent has not submitted EOBs showing payment to the injured employee for payments the injured employee made to the North Austin Medical Center, Austin Anesthesiology Group or Austin Radiological Associates or River Ranch Radiology.

Issues

1. Did the requestor file the request for medical dispute resolution in accordance with 28 Texas Administrative Code §133.307?
2. Did the injured employee timely file the out-of-pocket expenses to the insurance carrier?
3. Did the requestor submit the receipts for the out-of-pocket expenses to the respondent?
4. Did the requestor submit proof that the employer submitted a DWC001, Employer's First Report of Injury or Illness?
5. Did the requestor obtain preauthorization for the surgical intervention?
6. Did the requestor obtain preauthorization for physical therapy and did the respondent reimburse Sante Rehabilitation for the dates of service the injured employee had already made payments?
7. Did the respondent reimburse the injured employee for payments made to Austin Anesthesiology Group, Austin Radiological Associates and River Ranch Radiology?
8. Is the requestor entitled to reimbursement?

Findings

1. The requestor submitted the request for medical dispute resolution timely and in accordance with 28 Texas Administrative Code §133.307; therefore this dispute is eligible for review.
2. In accordance with Texas Labor Code §408.027 a health care provider shall submit a claim for payment to the insurance carrier not later than the 95th day after the date on which the health care services are provided to the injured employee. The injured employee is not considered a health care provider and therefore not subject to the 95-day filing requirement. Therefore, the disputed dates of service will be reviewed in accordance with Division rules and statutes.
3. Per 28 Texas Administrative Code §133.270 the injured employee submitted receipts to Mr. Guellermo Calderon on behalf of State Farm Workers Compensation Division. On February 15, 2008 Mr. Calderon submitted a notice to the injured employee stating that he had received a duplicate copy of the receipts from the injured party. Therefore, the injured worker met the requirements of the rule and the disputed dates of

service will be reviewed in accordance with Division rules and the Labor Code.

4. The requestor submitted a Texas Department of Insurance notice of injury letter dated June 27, 2007. In accordance with 28 Texas Administrative Code §120.2(c) The report shall be filed with the insurance carrier not later than the eighth day after having received notice of or having knowledge of an occupational disease or death, or not later than the eighth day after the employee's absence from work for more than one day due to a work-related injury. For purposes of this section, a report is filed when personally delivered, mailed, reported via tele-claims, electronically submitted, or sent via facsimile. The injured employee stated on the Table of Disputed Services, Requestor's Rationale for Increased Reimbursement or Refund that the employer had not submitted the workers' compensation information. According to the record information the DWC01 was received June 27, 2007. The dates of service submitted by the injured worker were prior to the employer filing the first report of injury.
5. In accordance with 28 Texas Administrative Code §134.600(p)(2) non-emergency health care requiring preauthorization includes outpatient surgical or ambulatory surgical services. Review of the submitted documentation does not support that preauthorization was obtained for this surgical intervention. Review of the statement from North Austin Medical Center dated May 22, 2007 shows that on May 16, 2007 the injured employee paid a total of $7,226.57 towards the surgical intervention of May 18, 2007; this is over one month before the employer filed the report of injury to the Division. Also, according to this statement on May 21, 2007 the medical center noted that the "uninsured discount plan billed" showing the injured employee did not have any form of private health insurance, as such it is difficult to obtain preauthorization when the employer has not fulfilled their duty to timely file the first report of injury. Therefore, in accordance with 28 Texas Administrative Code §133.270 reimbursement is recommended.
6. The respondent in their position summary states that the disputed services were not preauthorized and were not timely billed. While it is true that the disputed dates of service, for physical therapy only, did not have preauthorization, the respondent has submitted EOBs showing payment was made to Sante Rehabilitation for several dates of service. The injured employee had out of pocket expenses for physical therapy from June 1, 2007 through June 29, 2007. It is unknown if Sante Rehabilitation submitted bills during this timeframe; however the payment screens submitted by the respondent show that payments for dates of service June 1, 2007 through June 28, 2007 were issued on February 20, 2008, not to the injured employee, but to Sante Rehabilitation on behalf of [injured employee]. The respondent established medical necessity for post-op physical therapy when they issued reimbursement for dates of service June 1, June 6, June 8, June 15, June 18, June 22, June 25 and June 29, 2007. Since the respondent had received a duplicate copy of the receipts from the injured party on February 15, 2008, payment should have been rendered to the injured employee. Therefore, reimbursement is recommended.
7. The requestor also submitted receipts showing payment was made to Austin Anesthesiology Group in the amount of $50.00, Austin Radiological Associates in the amount of $54.00 and River Ranch Radiology in the amount of $66.50. These receipts were submitted in the same timeframe as the other receipts as verified by the document dated February 15, 2008 submitted to the requestor from the State Farm Workmans Comp Division adjustor. Therefore, in accordance with 28 Texas Administrative Code §133.270 reimbursement is recommended.
8. Review of the submitted documentation finds that the injured employee should have been reimbursed.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $8,337.07.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of $8,337.07 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

Signature	Medical Fee Dispute Resolution Officer	January 10, 2013 Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party**.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.