



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

STAR ANESTHESIA PA

Respondent Name

FREESTONE INSURANCE CO

MFDR Tracking Number

M4-10-3480-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

APRIL 1, 2010

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Anesthesia has been denied as included in the surgery procedure. Anesthesia can never be considered included in the surgery unless it is performed by the same person performing the surgery. This surgery was performed by Andrew Whaley, MD."

Amount in Dispute: \$724.68

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The charges for the medical services submitted by the Requestor exceeded the reimbursement guidelines for reimbursement and therefore did not further the end of achieving effective medical cost control."

Respondent's Supplemental Position Summary: "At this time, my client is not in possession of the requested contract...For that reason, we respectfully request you extend our time to provide the requested documentation."

Responses Submitted by: Lewis & Backhaus, PC

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 3, 2009	CPT Code 01250-AA (143 minutes) Anesthesia	\$724.68	\$724.68

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

- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.203, effective March 1, 2008, 33 TexReg 626, sets out the fee guidelines for reimbursement of professional medical services provided in the Texas workers' compensation system.
- The services in dispute were reduced/denied by the respondent with the following reason codes:
 - 45-Charges exceed your contracted/legislated fee arrangement.
 - U837-Anesthesia is included in the surgery procedure.

Issues

1. Is the allowance of the disputed service included in the allowance of the surgery?
2. Is the requestor entitled to reimbursement?

Findings

1. 28 Texas Administrative Code § 134.203(b)(1) states "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."

Per CCI manual the anesthesia is global to the surgery if performed by surgeon. A review of the submitted medical bill finds that Dr. Andrew Whaley was the surgeon and Dr. Carl Smith was the anesthesiologist; therefore, the anesthesia services were not included in the allowance of the surgery.

2. Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.
(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.
(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

To determine the MAR the following formula is used: (Time units + Base Units) X Conversion Factor = Allowance

According to the submitted bill and anesthesia record, the anesthesia began at 14:50 and ended at 17:13 for a total of 143 minutes. Time units are derived in 15 minute increments; therefore, $143/15 = 9.5$.

CPT code 01250 has a base unit of 4.

The 2009 DWC conversion factor is 53.68.

Using the above formula the MAR is \$724.68. The respondent paid \$0.00. As a result reimbursement of \$724.68 is recommended.

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 \$724.68.

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 \$724.68 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

Date

07/25/2014

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.