



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

ALLIED MEDICAL CENTERS

Respondent Name

NEW HAMPSHIRE INSURANCE CO

MFDR Tracking Number

M4-11-2957-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

MAY 2, 2011

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Denial states that the provider did not bill for a qualifying procedure. Our facility has indeed billed for a therapy procedure and thus all other modalities qualify for reimbursement."

Amount in Dispute: \$68.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: The respondent did not submit a response to this request for medical fee dispute resolution.

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 10, 2010	CPT Code 97140-GP Manual therapy techniques (eg, mobilization/manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes	\$56.00	\$17.60
	CPT Code 97124-GP Therapeutic procedure, 1 or more areas, each 15 minutes; massage, including effleurage, petrissage and/or tapotement (stroking, compression, percussion)	\$43.00	\$0.00
	CPT Code 99071 Educational supplies, such as books, tapes, and pamphlets, for the patient's education at cost to physician or other qualified health care professional	\$25.00	\$0.00
TOTAL		\$68.00	\$17.60

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, effective May 25, 2008, sets out the procedures for resolving a medical fee dispute.
2. Texas Labor Code §413.011 sets out reimbursement policies and guidelines.
3. 28 Texas Administrative Code §133.4, effective July 27, 2008, requires the insurance carrier to notify providers of contractual agreements for informal and voluntary networks.
4. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - B15-Payment adjusted because this service/procedure requires that a qualifying service/procedure be received and covered. The qualifying other service/procedure has not been received/adjudicated.
 - W1-Workers Compensation State Fee Schedule Adjustment.
 - 45-Charges exceed your contracted/legislated fee arrangement.
 - A1-Claim/service denied.
 - 96-Non-covered charge(s).
 - U687-This procedure is mutually exclusive to another on this date of service. By clinical practice standards, this procedure should not or cannot be performed in the same treatment period.
 - P303-This contracted provider or hospital has agreed to reduce this charge below fee schedule or usual and customary charges for your business.
 - Z547-This bill was reviewed in accordance with your Fee for Service contract with Coventry.
 - Z710-The charge for this procedure exceeds the fee schedule allowance.
 - VD02-Educational supplies and/or materials are not covered.
 - Z656-Any request for reconsideration of this workers' compensation payment should be accompanied by a copy of this explanation of review.

Issues

1. Does a contractual agreement issue for CPT code 97140-GP?
2. Is the requestor entitled to additional reimbursement for CPT code 97140-GP?
3. What is the Medicare policy for billing CPT code 97124-GP in conjunction with 97140-GP?
4. Is the requestor entitled to reimbursement for CPT code 99071?

Findings

1. The respondent also raised the issue of a contractual agreement regarding payment for CPT code 97140-GP based upon a contractual agreement on the EOBs.

28 Texas Administrative Code §133.4(g) states "Noncompliance. The insurance carrier is not entitled to pay a health care provider at a contracted fee negotiated by an informal network or voluntary network if:

(1) the notice to the health care provider does not meet the requirements of Labor Code §413.011 and this section; or

(2) there are no required contracts in accordance with Labor Code §413.011(d-1) and §413.0115."

A review of the submitted documentation finds that the respondent did not submit any documentation to support that a contractual agreement exists between the parties and that the provider was notified in accordance with Labor Code §413.011.

28 Texas Administrative Code §133.4(h) states "Application of Division Fee Guideline. If the insurance carrier is not entitled to pay a health care provider at a contracted rate as outlined in subsection (g) of this section and as provided in Labor Code §413.011(d-1), the Division fee guidelines will apply pursuant to §134.1(e)(1) of this title (relating to Medical Reimbursement), or, in the absence of an applicable Division fee guideline, reimbursement will be based on fair and reasonable reimbursement pursuant to §134.1(e)(3) of this title."

The Division concludes that the respondent's is not entitled to pay the requestor at a contracted fee reduction; therefore, the disputed services will be reviewed per applicable Division rules and guidelines.

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: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR).

The 2010 DWC conversion factor for this service is 54.32.

The Medicare Conversion Factor is 36.8729

Review of Box 32 on the CMS-1500 the services were rendered in Houston, Texas; therefore, the Medicare participating amount is based upon the locality of "Houston, Texas".

Using the above formula the Division finds:

Code	Medicare Participating Amount	MAR	Amount Paid	Amount Due
97140	\$27.60	\$40.66	\$23.06	\$17.60

3. According to the submitted EOB the respondent denied reimbursement for CPT code 97124-GP based upon Medicare policy.

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:

(1) 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 National Correct Coding Initiatives Edits, CPT code 97124 is a component of 97140 and may not be billed together; therefore, the respondent's denial based upon Medicare policy is supported. As a result, reimbursement is not recommended for code 97124-GP.

4. The respondent denied reimbursement for CPT codes 99071 because this is a non-covered charge.

Per Medicare Policy this is a status "B"-bundled code to the basic service rendered. The CPT code descriptor indicates that these supplies/materials are provided at the cost to the provider. In accordance with 28 Texas Administrative Code §134.203(b)(1), Medicare's policies regarding billing, reporting, coding applies to this service. As a result, reimbursement cannot be 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 \$17.60.

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 \$17.60 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

04/30/2014
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.