



# 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](http://www.tdi.texas.gov)

### MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

#### GENERAL INFORMATION

**Requestor Name**

DR. DAVID BLOOME

**Respondent Name**

LIBERTY INSURANCE CORP

**MFDR Tracking Number**

M4-14-0112-01

**Carrier's Austin Representative**

Box Number 01

**MFDR Date Received**

SEPTEMBER 11, 2013

#### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "59 modifier was added to 29875 as this was done in the patella femoral compartment whereas 29881 was done in lateral compartment."

**Amount in Dispute:** \$171.08

#### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "CPT 29875 59 was denied as a bundled or non-covered procedure based on Medicare guidelines; no separate payment allowed and also as this separate independent procedure is considered an integral part of the total services performed and does not warrant a separate charge."

**Response Submitted by:** Liberty Mutual Insurance

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
April 29, 2013	CPT Code 29875-59 Knee Arthroscopic Surgery	\$171.08	\$0.00

#### 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 a medical fee dispute.
- 28 Texas Administrative Code §134.203, effective March 1, 2008, sets the reimbursement guidelines for the disputed service.
- The services in dispute were reduced/denied by the respondent with the following reason codes:
  - 150-Payment adjusted because the payer deems the information submitted does not support this level of service.
  - B291-This is a bundled or non covered procedure based on Medicare guidelines; no separate payment allowed.
  - 193- Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
  - U301-This item has been reviewed on a previously submitted bill, or is currently in process. Notification of decision has been previously provided or will be issued upon completion of our review.

## Issues

Is the allowance for CPT code 29875-59 included in the allowance of another service billed on the disputed date of service?

## Findings

On the disputed date of service, the requestor billed for the following procedures:

- CPT code 29881 defined as “Arthroscopy, knee, surgical; with meniscectomy (medial OR lateral, including any meniscal shaving) including debridement/shaving of articular cartilage (chondroplasty), same or separate compartment(s), when performed.”
- CPT code 29875-59 defined as “Arthroscopy, knee, surgical; synovectomy, limited (eg, plica or shelf resection) (separate procedure).”

The respondent denied reimbursement for code 29875-59 based upon reason code “B291.”

28 Texas Administrative Code §134.203(a)(5) states "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare.”

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 CCI edits, CPT code 29875 is a component of code 29881; however, a modifier is allowed to differentiate the service. A review of the requestor’s billing finds that the requestor appended modifier “59-Distinct Procedural Service” to CPT code 29875.

Modifier 59 is defined as “Under certain circumstances, it may be necessary to indicate that a procedure or service was distinct or independent from other non-E/M services performed on the same day. Modifier 59 is used to identify procedures/services, other than E/M services, that are not normally reported together, but are appropriate under the circumstances. Documentation must support a different session, different procedure or surgery, different site or organ system, separate incision/excision, separate lesion, or separate injury (or area of injury in extensive injuries) not ordinarily encountered or performed on the same day by the same individual. However, when another already established modifier is appropriate it should be used rather than modifier 59. Only if no more descriptive modifier is available, and the use of modifier 59 best explains the circumstances, should modifier 59 be used.”

The respondent maintains the denial of payment for code 29875 based upon “Medicare Claims Processing Manual, Chapter 12, 30-Correct Coding Policy, **E. Separate Procedures**.”

The National Correct Coding Initiative Manual defines “separate procedure” as:

If a CPT code descriptor includes the term “separate procedure”, the CPT code may not be reported separately with a related procedure. CMS interprets this designation to prohibit the separate reporting of a “separate procedure” when performed with another procedure in an anatomically related region often through the same skin incision, orifice, or surgical approach.

A CPT code with the “separate procedure” designation may be reported with another procedure if it is performed at a separate patient encounter on the same date of service or at the same patient encounter in an anatomically unrelated area often through a separate skin incision, orifice, or surgical approach. Modifier 59 or a more specific modifier (e.g., anatomic modifier) may be appended to the “separate procedure” CPT code to indicate that it qualifies as a separately reportable service.

Code 29875 has the parenthetical statement “separate procedure”; therefore, it is a service that is commonly carried out as a part of a more extensive procedure, and does not warrant separate identification. Because both procedure codes 29881 and 29875 were performed on the same anatomically related region (knee), code 29875 should not be reported. As a result, reimbursement is not recommended.

**Conclusion**

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is not due. As a result, the amount ordered is \$0.00.

**ORDER**

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

**Authorized Signature**

		01/09/2015
Signature	Medical Fee Dispute Resolution Officer	Date

***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request 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 §141.1(d).

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