



# 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**

BRODERICK KOOLMAN, DC

**Respondent Name**

INDEMNITY INSURANCE CO OF NORTH AMERICA

**MFDR Tracking Number**

M4-14-1329-01

**Carrier's Austin Representative**

Box Number 15

**MFDR Date Received**

JANUARY 13, 2014

#### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "I am requesting a re-consideration on the attached 1500 claim. I have corrected the unit line to reflect the additional 2 body parts that should have been billed. I have attached the corrected 1500 form, DDE report, OA32A DWC commission order, the DWC fee guidelines and EOB for your review and processing. Dr. Koolman was asked to address a total of three body parts, and the bill now reflects payment for each additional body part in the amount of \$150 each."

**Amount in Dispute:** \$950.00

#### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "The current dispute involves a date of service of 3/13/13 for a DD exam under service code 99456. This bill was denied because it did not have an appropriate modifier. The appropriate modifiers are 26, TC, MI, NM and SP. The bill lacked any of these modifiers and remains denied."

**Response Submitted by:** Flahive, Ogden & Latson

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
March 13, 2013	CPT Code 99456-W5-WP Designated Doctor Evaluation	\$950.00	\$800.00

#### 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 medical fee disputes.
- 28 Texas Administrative Code §133.250, effective July 1, 2012, requires healthcare providers to submit their bills for reconsideration prior to seeking medical dispute resolution.
- 28 Texas Administrative Code §134.204, 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:
  - 4-The procedure code is inconsistent with the modifier used or a required modifier is missing.

## **Issues**

1. Does the documentation support the disputed services are eligible for review per 28 Texas Administrative Code §133.307?
2. Did the Designated Doctor bill for the MMI/IR evaluation in accordance with medical fee guideline?
3. Does the documentation support the number of units billed? Is the requestor entitled to reimbursement?

## **Findings**

1. 28 Texas Administrative Code §133.307(c)(2)(J) requires “a paper copy of all medical bill(s) related to the dispute, as originally submitted to the insurance carrier in accordance with this chapter and a paper copy of all medical bill(s) submitted to the insurance carrier for an appeal in accordance with §133.250 of this chapter (relating to General Medical Provisions.”

28 Texas Administrative Code §133.250(h) states “If the health care provider is dissatisfied with the insurance carrier’s final action on a medical bill after reconsideration, the health care provider may request medical dispute resolution in accordance with the provisions of Chapter 133, Subchapter D of this title (relating to Dispute of Medical Bills).”

A review of the submitted documentation indicates that on the original bill the requestor did not indicate the number of body areas examined or include the “WP” modifier. On April 30, 2013, the requestor corrected the bill to reflect three body areas examined and appended the WP modifier. A request for reconsideration of the corrected bill was submitted to the respondent on July 12, 2013; therefore, the disputed service is eligible for dispute resolution per 28 Texas Administrative Code §133.307.

2. On the disputed date of service the requestor billed CPT code 99456-W5-WP (X3).
  - 28 Texas Administrative Code §134.204(i)(1)(A) states “The following shall apply to Designated Doctor Examinations. (1) Designated Doctors shall perform examinations in accordance with Labor Code §§408.004, 408.0041 and 408.151 and Division rules, and shall be billed and reimbursed as follows: (A) Impairment caused by the compensable injury shall be billed and reimbursed in accordance with subsection (j) of this section, and the use of the additional modifier “W5” is the first modifier to be applied when performed by a designated doctor”

A review of the submitted medical billing finds that the requestor billed modifier “W5” as the first modifier appended to CPT code 99456.

- 28 Texas Administrative Code §134.204(j)(3) states “The following applies for billing and reimbursement of an MMI evaluation. (C) An examining doctor, other than the treating doctor, shall bill using CPT Code 99456. Reimbursement shall be \$350.”

The requestor billed CPT code 99456 because the examination was performed by a designated doctor.

- 28 Texas Administrative Code §134.204(j)(4)(C)(iii) states “If the examining doctor performs the MMI examination and the IR testing of the musculoskeletal body area(s), the examining doctor shall bill using the appropriate MMI CPT code with modifier “WP.” Reimbursement shall be 100 percent of the total MAR.”
- 28 Texas Administrative Code §134.204(n)(18) states “The following Division Modifiers shall be used by HCPs billing professional medical services for correct coding, reporting, billing, and reimbursement of the procedure codes. The “WP” modifier is defined as “Whole Procedure--This modifier shall be added to the CPT code when both the professional and technical components of a procedure are performed by a single HCP.”

A review of the requestor’s billing finds that the “WP” modifier was appended to CPT code 99456 to designate that the provider had performed the MMI examination and the IR testing. The Division finds that the Designated Doctor billed for the evaluation/examination in accordance with 28 Texas Administrative Code §134.204; therefore, reimbursement is recommended.

3. The maximum allowable reimbursement (MAR) for CPT code 99456-W5-WP is:

- 28 Texas Administrative Code §134.204(j)(1) states “Maximum Medical Improvement and/or Impairment Rating (MMI/IR) examinations shall be billed and reimbursed as follows:  
(1) The total MAR for an MMI/IR examination shall be equal to the MMI evaluation reimbursement plus the reimbursement for the body area(s) evaluated for the assignment of an IR.
- 28 Texas Administrative Code §134.204(j)(4)(C) states “For musculoskeletal body areas, the examining doctor may bill for a maximum of three body areas.”
- 28 Texas Administrative Code §134.204(j)(4)(C)(ii) states “The MAR for musculoskeletal body areas shall be as follows.  
(I) \$150 for each body area if the Diagnosis Related Estimates (DRE) method found in the AMA Guides 4th edition is used.  
(II) If full physical evaluation, with range of motion, is performed:  
(-a-) \$300 for the first musculoskeletal body area; and  
(-b-) \$150 for each additional musculoskeletal body area.”

The requestor billed for MMI/IR of three body areas. The DDE report states “The claimant has reached Maximum Medical Improvement for the neck and right ankle.” In addition, the impairment rating was based on the cervicothoracic and right ankle. Therefore, the Division finds that the Designated Doctor report supports a full evaluation with range of motion of the lower extremity (right ankle). Per; 28 Texas Administrative Code §134.204(j)(4)(C)(ii)(II)(a), the MAR is \$300.00 for the lower extremity impairment rating. A DRE examination was performed on the cervicothoracic spine; therefore, the MAR is \$150.00 per 28 Texas Administrative Code §134.204(j)(4)(C)(ii)(I). The total allowable for the impairment rating is \$450.00.

Per 28 Texas Administrative Code §134.204(j)(3)(C) the requestor is due \$350.00 for the MMI evaluation.

The Division finds that the total allowable for the MMI/IR evaluation is \$800.00. The respondent paid \$00.00. As a result, the requestor is entitled to reimbursement of \$800.00.

**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 \$800.00.

***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 \$800.00 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

11/19/2014  
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.**