



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Nueva Vida Behavioral Health

Respondent Name

Pacific Employers Insurance Company

MFDR Tracking Number

M4-14-1443-01

Carrier's Austin Representative

Box Number 15

MFDR Date Received

January 23, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Nueva Vida obtained preauthorization for the diagnostic interview exam on 01/2/2013. Certification #141989 with a date range of 1/2/13-3/3/13. The date of service being denied for payment is 2/4/13 ...

Nueva Vida obtained preauthorization for 6 sessions of individual psychotherapy on 06/26/2013. Certification # 155705 was issued for the 6 sessions with a date range of 6/21/13-8/20/13 extended until 9/6/13 on 9/2/13. The dates of service being denied for payment are 7/17/13, 8/28/13, 9/4/13, and 9/6/13."

Amount in Dispute: \$1220.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Unnecessary treatment with Peer Review."

Response Submitted by: ESIS Bill Review

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
February 4 – September 6, 2013	Psychiatric Diagnostic Evaluation (90791) Psychotherapy (90837)	\$1220.00	\$776.42

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable 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 medical fee disputes.
2. 28 Texas Administrative Code §134.600 sets out the requirements for preauthorization.
3. 28 Texas Administrative Code §134.203 sets out the fee guidelines for professional medical services.
4. Texas Labor Code §413.014 sets out the preauthorization requirements for health care.

5. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 216 – Based on the findings of a review organization
 - W9 – Unnecessary treatment with peer review
 - CIQ378 – This appeal is denied as we find the original review reflected the appropriate allowance for the service rendered. We find that no additional recommendation is warranted at this time.
 - 151 – Payment adjusted because the payer deems the information submitted does not support this many/frequency of services.
 - 119 – Benefit maximum for this time period or occurrence has been reached.
 - 148 – This procedure on this date was previously reviewed
 - 18 – Exact duplicate claim/service.

Issues

1. Do the disputed services require preauthorization?
2. Did the requestor obtain preauthorization for the disputed services?
3. Are the insurance carrier's reasons for denial or reduction of payment supported?
4. What is the reimbursement amount for the disputed services?
5. Is the requestor entitled to additional reimbursement?

Findings

1. The disputed services are subject to preauthorization rules found in 28 Texas Administrative Code §134.600, effective July 1, 2012, 37 TexReg 2420, which states in relevant part, "(p) Non-emergency health care requiring preauthorization includes: ... (7) all psychological testing and psychotherapy, repeat interviews, and biofeedback ..." Therefore, the disputed services required preauthorization.
2. The dispute involves, in part, CPT code 90791, defined as "Psychiatric diagnostic evaluation," for date of service February 4, 2013. Review of the submitted documentation finds a letter from ACE/ESIS dated January 4, 2013, review #141989, stating that 2 hours of diagnostic interview between January 2, 2013 and March 3, 2013 was certified as medically necessary. The Division finds that this code was preauthorized in accordance with 28 Texas Administrative Code §134.600.

The dispute involves, in part, CPT code 90837, defined as "Psychotherapy, 60 minutes with patient and/or family member," for dates of service July 17, 2013; August 28, 2013; September 4, 2013; and September 6, 2013. Review of the submitted documentation finds a letter from ACE/ESIS dated June 26, 2013, review #155705, stating that 6 sessions of individual psychotherapy between June 21, 2013 and August 20, 2013 was certified as medically necessary. Submitted information includes a letter dated September 3, 2013 under the same review number that extends the certification through September 6, 2013. The Division finds that the disputed dates of service July 17 – September 6, 2013 were preauthorized in accordance with 28 Texas Administrative Code §134.600.

3. The insurance carrier denied disputed services with claim adjustment reason codes 216 – "Based on the findings of a review organization," and W9 – "UNCESSARY TREATMENT WITH PEER REVIEW." Texas Labor Code §413.014 (e) states that "If a specified health care treatment or service is preauthorized as provided by this section, that treatment or service is not subject to retrospective review of the medical necessity of the treatment or service."

Because the disputed services were preauthorized in accordance with 28 Texas Administrative Code §134.600, the Division finds that the services are not subject to denial for medical necessity. The insurance carrier's denial reason is not supported. The disputed services will therefore be reviewed per applicable Division rules and fee guidelines.

4. 28 Texas Administrative Code §134.203 (c) states,

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...
- (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...

Further, 28 Texas Administrative Code §134.203 (h) states,

When there is no negotiated or contracted amount that complies with Labor Code §413.011, reimbursement shall be the least of the:

- (1) MAR amount;
- (2) health care provider's usual and customary charge, unless directed by Division rule to bill a specific amount; or
- (3) fair and reasonable amount consistent with the standards of §134.1 of this title.

The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. The Division conversion factor for 2013 is \$55.30.

For CPT code 90791 on February 4, 2013, the relative value (RVU) for work of 2.80 multiplied by the geographic practice cost index (GPCI) for work of 1.000 is 2.800000. The practice expense (PE) RVU of 1.52 multiplied by the PE GPCI of 0.912 is 1.386240. The malpractice (MP) RVU of 0.11 multiplied by the MP GPCI of 0.809 is 0.088990. The sum of 4.275230 is multiplied by the Division conversion factor of \$55.30 for a maximum allowable reimbursement (MAR) of \$236.42.

For CPT code 90837 on July 17, 2013, the RVU for work of 2.83 multiplied by the GPCI for work of 1.000 is 2.830000. The PE RVU of 0.53 multiplied by the PE GPCI of 0.912 is 0.483360. The MP RVU of 0.11 multiplied by the MP GPCI of 0.809 is 0.088990. The sum of 3.402350 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$188.15.

For CPT code 90837 on August 28, 2013, the RVU for work of 2.83 multiplied by the GPCI for work of 1.000 is 2.830000. The PE RVU of 0.53 multiplied by the PE GPCI of 0.912 is 0.483360. The MP RVU of 0.11 multiplied by the MP GPCI of 0.809 is 0.088990. The sum of 3.402350 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$188.15.

For CPT code 90837 on September 4, 2013, the RVU for work of 2.83 multiplied by the GPCI for work of 1.000 is 2.830000. The PE RVU of 0.53 multiplied by the PE GPCI of 0.912 is 0.483360. The MP RVU of 0.11 multiplied by the MP GPCI of 0.809 is 0.088990. The sum of 3.402350 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$188.15.

For CPT code 90837 on September 6, 2013, the RVU for work of 2.83 multiplied by the GPCI for work of 1.000 is 2.830000. The PE RVU of 0.53 multiplied by the PE GPCI of 0.912 is 0.483360. The MP RVU of 0.11 multiplied by the MP GPCI of 0.809 is 0.088990. The sum of 3.402350 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$188.15.

The reimbursement amount is calculated as follows:

Date of Service	CPT	MAR per 134.203(h)(1)	134.203(h)(2)	Lesser of 134.203(h)(1) & (2)	Carrier paid	Balance Due
2/4/13	90791	\$236.42	\$680.00	\$236.42	\$0.00	\$236.42
7/17/13	90837	\$188.15	\$135.00	\$135.00	\$0.00	\$135.00
8/28/13	90837	\$188.15	\$135.00	\$135.00	\$0.00	\$135.00
9/4/13	90837	\$188.15	\$135.00	\$135.00	\$0.00	\$135.00
9/6/13	90837	\$188.15	\$135.00	\$135.00	\$0.00	\$135.00

5. The total reimbursement for the disputed services is \$776.42. The insurance carrier paid \$0.00. A reimbursement of \$776.42 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 \$776.42.

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 \$776.42 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

Signature

Laurie Garnes
Medical Fee Dispute Resolution Officer

October 9, 2015
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, 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 MFDR 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.