



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

DR. STEPHEN E. EARLE

Respondent Name

SERVICE LLOYDS INSURANCE CO

MFDR Tracking Number

M4-14-2067-01

Carrier's Austin Representative

Box Number 01

MFDR Date Received

MARCH 11, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "All four (4) of the above referenced codes were denied on the basis that they were 'included in another billed procedure' or 'procedure/service is not paid separately.' Per the Mutually Inclusive Table established by CMS and updated monthly, none of the codes reported for this date of service are mutually inclusive."

Amount in Dispute: \$6,240.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "It should be noted that the Requestor actually billed **\$18,465.00** for 13 procedures performed during the surgery performed on December 19, 2013. Respondent paid \$7,937.08 for these services. Respondent reimbursed for CPT Codes: 22851, 22845, 63081, 63082, 20926, 20937, 22326, 22328, and 22851.

Requestor is seeking reimbursement for CPT codes: 20930, 63075, 22554, and 22585. Reimbursement was denied on all four of these CPT codes as these procedures are not paid separately and/or are included in another billed procedure. It should also be noted that no modifiers or justification was submitted with these four codes. Per the 2013 CPT Manual, if the work associated with CPT codes 22554, 22585, and 63075 is performed during the same surgery by the same surgeon, the correct codes are 22551 and 22552. The Manual specifically states CPT codes 63075 and 22554 many not be unbundled and reported for the same patient, same session. CPT Code 22585 is reimbursed when two surgeons are working together on separate interspaces and when modifier '62' is noted. Only one surgeon was involved in this surgery and no modifier was listed on this code."

Response submitted by: White Espey, PLLC

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
December 19, 2013	CPT Code 20930 Allograft, morselized, or placement of osteopromotive material, for spine surgery only (List separately in addition to code for primary procedure)	\$500.00	\$0.00
	CPT Code 63075 Discectomy, anterior, with decompression of spinal cord and/or nerve root(s), including osteophytectomy; cervical, single interspace	\$2,540.00	\$1,328.49

December 19, 2013	CPT Code 22554 Arthrodesis, anterior interbody technique, including minimal discectomy to prepare interspace (other than for decompression); cervical below C2	\$2,500.00	\$0.00
	CPT Code 22585 Arthrodesis, anterior interbody technique, including minimal discectomy to prepare interspace (other than for decompression); each additional interspace (List separately in addition to code for primary procedure)	\$700.00	\$0.00
TOTAL		\$6,240.00	\$1,328.49

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 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets the reimbursement guidelines for the disputed service.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - B15-Procedure/Service is not paid separately.
 - 97-Charge included in another Charge or Service.
 - R84-CCI; Most Extensive Procedures.
 - W3-Appeal/Reconsideration
 - R09-CCI; CPT Manual and CMS coding manual instructions.
 - RG3-Included in another billed procedure.

Issues

1. Is the allowance of CPT code 20930 included in the allowance of another service/procedure billed on the disputed date of service?
2. Is the allowance of CPT code 63075 included in the allowance of another service/procedure billed on the disputed date of service?
3. Is the allowance of CPT code 22554 included in the allowance of another service/procedure billed on the disputed date of service?
4. Is the allowance of CPT code 22585 included in the allowance of another service/procedure billed on the disputed date of service?

Findings

1. According to the explanation of the respondent denied reimbursement for CPT code 20930 based upon reason code "B15."

On the disputed date of service, the requestor billed codes 63075, 20937, 22326-59, 22328, 22554, 22585, 22851, 22845, 63081, 63082, 20930, 20926, and 22851-59.

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."

Per CMS guidelines, code 20930 is a status "B-Bundled" code; therefore, it is a packaged service. As a result, separate reimbursement is not recommended.

2. According to the explanation of the respondent denied reimbursement for CPT code 63075 based upon reason code "97."

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 63075 is not a component of any other service rendered on the disputed date; therefore, the requestor is due reimbursement because the respondent’s denial based upon reason code “97” is not supported.

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 2013 DWC conversion factor for this service is 69.43.

The Medicare Conversion Factor is 34.023

Review of Box 32 on the CMS-1500 the services were rendered in zip code 78233, which is located in Live Oak; therefore, the Medicare participating amount is based on locality “Rest of Texas”.

The Medicare participating amount for code 63075 is \$1,302.01.

Using the above formula, the MAR is \$2,656.98; however, this code is subject to multiple procedure rule discounting = \$1,328.49. This amount is recommended for additional reimbursement.

3. According to the explanation of the respondent denied reimbursement for CPT code 22554 based upon reason code “97”.

Per CCI edits, CPT code 22554 is a component of 63075; however, a modifier is allowed to differentiate the service. A review of the submitted medical bill finds that the requestor did not append a modifier to code 22554; therefore, the respondent’s denial based upon reason code “97” is supported.

4. According to the explanation of the respondent denied reimbursement for CPT code 22585 based upon reason code “97”.

Per CCI edits, CPT code 22585 is a component of 63075; however, a modifier is allowed to differentiate the service. A review of the submitted medical bill finds that the requestor did not append a modifier to code 22585; therefore, the respondent’s denial based upon reason code “97” is supported.

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 \$1,328.49.

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 \$1,328.49 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

03/13/2015
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, 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.