



# 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**

Jeff Hicken, DC

**Respondent Name**

New Hampshire Insurance Company

**MFDR Tracking Number**

M4-14-3357-01

**Carrier's Austin Representative**

Box Number 19

**MFDR Date Received**

July 7, 2014

#### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "Date 11/13/13 EOB's state the g-codes are required. I printed the **originals showing the g-codes where on the bill originally. Therefore, this denial is inaccurate.**

Dates 11/6/13, 11/11/11/18/13, 11/21/13 are INITIAL 6 Post Operative physical therapy visits. **Per RULE 134.600, the initial 6 physical therapy visits DO NOT REQUIRE PREAUTHORIZATION.** These were not paid in full.

Dates of services 11/13/13, 11/22/13 are **PREAUTHORIZED** physical therapy visits. **Per RULE 134.600, the carrier shall not withdraw preauthorization once issued.** The preauthorization letters are attached. There was **NO SPECIFICATION on units, AND you can CLEARLY SEE that all CPT codes billed were PREAUTHORIZED.**

See patient leger showing these are the only outstanding dates on this claim"

**Amount in Dispute:** \$1424.64

#### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "The current dispute involves multiple charges for therapy from 11/6/13-11/22/13 in the sum of \$3062.04. Carrier has reimbursed \$1,637.40. Carrier maintains that no additional payment is due as the charges exceed the maximum allowable benefit for the service in question."

**Response Submitted by:** Flahive, Ogden & Latson, Post Office Drawer 201329, Austin, TX 78720

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 6-26, 2013	Physical Therapy	\$1424.64	\$873.74

#### 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 medical fee disputes.
2. 28 Texas Administrative Code §133.203 defines the medical fee guidelines for reimbursement of professional services.

3. The services in dispute were reduced/denied by the respondent with the following reason codes:
  - 119 – Benefit maximum for this time period or occurrence has been reached.
  - 168 – Billed charge is greater than maximum unit value or daily maximum allowance for physical therapy/physical medicine services.

### **Issues**

1. What is the maximum allowable for the physical therapy services billed for dates of service 11/6/13-11/26/13?
2. Is the requestor entitled to additional reimbursement?

### **Findings**

1. Procedure codes 97140 and 97110, for dates of service 11/6-26-13, were denied or reduced with explanation code 119, stating that the “benefit maximum for this time period or occurrence has been reached” and explanation code 168, stating that the “billed charge is greater than maximum unit value or daily maximum allowance for physical therapy/physical medicine services.”

Procedure code 97140, service date November 6, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.20. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.83 at 2 units is \$73.66.

Procedure code 97112, service date November 6, 2013 is not in dispute, though it was considered in calculation, due to multiple procedure rules.

Procedure code 97110, service date November 6, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.45405. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.017 is 0.48816. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.95055 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$52.57. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$39.07 at 4 units is \$156.28.

Procedure code 97140, service date November 11, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.20. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.83 at 2 units is \$73.66.

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Procedure code 97140, service date November 13, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.20. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.83 at 2 units is \$73.66.

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Procedure code 97140, service date November 18, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.20. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.83 at 2 units is \$73.66.

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Procedure code 97140, service date November 21, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor

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Procedure code 97140, service date November 22, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.20. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.83 at 2 units is \$73.66.

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Procedure code 97140, service date November 26, 2013, represents a professional service with reimbursement determined per §134.203(c). 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. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.009 is 0.43387. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.017 is 0.44748. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.834 is 0.00834. The sum of 0.88969 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.20. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 50% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.83 at 2 units is \$73.66.

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The insurance carrier's denial/reduction code is not supported.

- 2. The total allowable reimbursement for the services in dispute is \$1,609.58. This amount less the amount previously paid by the insurance carrier of \$735.84 leaves an amount due to the requestor of \$873.74. This amount is recommended.

While all evidence may not have been discussed, it was considered.

**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 \$873.74.

**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 \$873.74 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

January 8, 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.**