



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

ERIC A. VANDERWERFF, DC

Respondent Name

HARTFORD UNDERWRITERS INSURANCE

MFDR Tracking Number

M4-15-0329-01

Carrier's Austin Representative

Box Number 47

MFDR Date Received

SEPTEMBER 22, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "the carrier denied our pre-authorized services (97140-59) incorrectly."

Amount in Dispute: \$295.20

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "When a provider bills codes 97032-97039, 97110-97139, 97140, 97504, 97520, 97530, 97532-97533, 97535, 97537, 97542, a maximum of 60 minutes will be allowed per date of service. The higher-valued codes will be allowed first before codes exceeding the 60-minute time limit are disallowed. Thus, CPT 97140-GP was denied as maximum for this time period or occurrence has been reached."

Response Submitted by: The Hartford

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: March 6, 2014 to March 20, 2014; CPT Code 97140-59-GP Manual Therapy Techniques; \$49.20/each X 6 = \$295.20; \$180.25

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 requires preauthorization for physical therapy services.
3. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets out the reimbursement guidelines for

professional services.

4. The insurance carrier reduced payment for the disputed services with the following claim adjustment 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.
 - W3-Additional payment made on appeal/reconsideration.
 - 193-Original payment decision is being maintained. This claim was processed properly the first time.
 - 1115-We find the original review to be accurate and are unable to recommend any additional allowance.

Issues

1. Does a preauthorization issue exist in this dispute?
2. Is the requestor entitled to additional reimbursement?

Findings

1. The insurance carrier denied disputed services with claim adjustment reason codes "119" and "168." The respondent contends that reimbursement is not due because "CPT 97140-GP was denied as maximum for this time period or occurrence has been reached."

The requestor asserts that reimbursement is due because the services were preauthorized.

28 Texas Administrative Code §134.203(a)(7) states "Specific provisions contained in the Texas Labor Code or the Texas Department of Insurance, Division of Workers' Compensation (Division) rules, including this chapter, shall take precedence over any conflicting provision adopted or utilized by CMS in administering the Medicare program. Independent Review Organization (IRO) decisions regarding medical necessity made in accordance with Labor Code §413.031 and §133.308 of this title (relating to MDR by Independent Review Organizations), which are made on a case-by-case basis, take precedence in that case only, over any Division rules and Medicare payment policies." In this case, the timeframe and number of physical therapy services allowed is addressed in 28 Texas Administrative Code §134.600(p).

28 Texas Administrative Code §134.600(p) states "Non-emergency health care requiring preauthorization includes: (5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS) at the following levels: (A) Level I code range for Physical Medicine and Rehabilitation, but limited to: (i) Modalities, both supervised and constant attendance; (ii) Therapeutic procedures, excluding work hardening and work conditioning."

On March 7, 2014, the respondent gave preauthorization approval for "Chiro with modalities X 6 for the Right Shoulder 98943, 97140, 97110, G0283" beginning on March 7, 2014 and ending on May 30, 2014.

Therefore, date of service March 6, 2014 is not within the timeframe outlined in the above preauthorization report; As a result, the respondent's denial for CPT code 97140 on March 6, 2014 is supported. For the remaining dates of service in dispute, the Division finds that preauthorization was obtained and the respondent's rationale is not supported.

2. 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."

CPT code 97140 is defined as "Manual therapy techniques (eg, mobilization/ manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes."

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."

On the disputed dates of service, the requestor billed CPT codes 98943, G0283-GP, 97140-59-GP and 97110(X4). CMS published Medical Learning Network (MLN) Matters, effective January 1, 2011 which states in part "Many therapy services are time-based codes, i.e., multiple units may be billed for a single procedure. The Centers for Medicare & Medicaid Services (CMS) is applying a MPPR to the practice expense payment when more than one unit or procedure is provided to the same patient on the same day, i.e., the MPPR applies to multiple units as well as multiple procedures. Full payment is made for the unit or procedure with the highest PE payment. For subsequent units and procedures, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment for the PE for services furnished in office settings and other non-institutional settings and at 75 percent payment for the PE services furnished in institutional settings." The multiple procedure rule discounting applies to the disputed service.

To determine the MAR the following formula is used: $(\text{DWC Conversion Factor} / \text{Medicare Conversion Factor}) \times \text{Participating Amount} = \text{Maximum Allowable Reimbursement (MAR)}$.

Review of Box 32 on the CMS-1500 the services were rendered in zip code 75061, which is located in Irving, Texas; therefore, the Medicare participating amount is based on locality "Dallas, Texas".

The 2014 DWC conversion factor for this service is 52.83.

The 2014 Medicare Conversion Factor is 35.8228.

The Medicare Participating Amount for this code is \$30.42

Using the above formula and multiple procedure rule discounting policy, the Division finds the MAR is \$36.05 per date. Based upon number one above, five dates of service are eligible for reimbursement; therefore, $\$36.05 \times 5 = \180.25 . The respondent paid \$0.00. As a result, \$180.25 is recommended for reimbursement.

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 \$180.25.

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 \$180.25 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

Date

08/13/2015

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.