



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

Magnolia Strong Group Inc

Respondent Name

Arch Insurance Co

MFDR Tracking Number

M4-15-1961

Carrier's Austin Representative

Box Number 19

MFDR Date Received

March 2, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "According to TAC Rule 134.600 if pre-authorization is obtained then the insurance carrier is liable for all reasonable and necessary medical costs relating to the health care."

Amount in Dispute: \$16,500.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Please see the EOBs attached to the request and to this response. From 06/23/2014 through 07/31/2014, the carrier paid a total of \$12,502.26 to Magnolia Strong Group. The DWC-60 misrepresents the amounts paid. The Texas Labor Code requires reimbursement for all medical expenses to be fair and reasonable and designed to ensure the quality of medical care and to achieve effective medical cost control. TEX. LABOR CODE Section 413.011(d). Subject to further review, the carrier asserts that it has paid according to applicable fee guidelines and challenges whether the disputed charges are consistent with applicable fee guidelines."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Table with 4 columns: Date(s) of Service, Disputed Service(s), Amount In Dispute, Amount Due. Row 1: June 23, 2014 through July 30, 2014, 97535, 97532-59, 97530-59 and 97537-59, \$16,500.00, \$8,636.78

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 §134.203 sets out the reimbursement guidelines for professional medical services.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:
- 947 - Upheld - No additional allowance has been recommended
- 168 - Billed charge is greater than maximum unit value or daily maximum allowance for physical therapy/physical medicine services
- B13 - Previously paid. Payment for this claim/service may have been provided in a previous payment.

Issues

1. Did the insurance carrier issue payments for some of the disputed dates of service?
2. Did the requestor bill in accordance with 28 Texas Administrative Code §134.203?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The respondent in their position statement states, "Please see the EOBs attached to the request and to this response. From 06/23/2014 through 07/31/2014 the carrier paid a total of \$12,502.26 to Magnolia Strong Group." Review of the submitted documentation supports that the insurance carrier issued payments totaling \$1,300.56 for the disputed services. Although a total payment of \$12,502.26 was issued for this claim, the majority of the payments were for dates of service that are not part of this dispute. The table below outlines the payments issued for the disputed services.

Date of Service	CPT Code	# of Units	Amount Billed	Amount Paid by IC	MAR Amount	Recommended Amount
6/23/2014	97535	4	\$275.00	\$216.76	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
6/24/2014	97535	4	\$275.00	\$216.76	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
6/25/2014	97535	4	\$275.00	\$216.76	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
6/26/2014	97535	4	\$275.00	\$216.76	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
7/14/2014	97535	4	\$275.00	\$0.00	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
7/15/2014	97535	4	\$275.00	\$0.00	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
7/16/2014	97535	4	\$275.00	\$0.00	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$216.76	\$173.02	\$0.00
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
7/21/2014	97535	4	\$275.00	\$0.00	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
7/22/2014	97535	4	\$275.00	\$0.00	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24

7/23/2014	97535	4	\$275.00	\$0.00	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$216.76	\$173.02	\$0.00
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
7/30/2014	97535	4	\$275.00	\$0.00	\$173.02	\$0.00
	97532-59	12	\$825.00	\$0.00	\$498.36	\$498.36
	97530-59	4	\$280.00	\$0.00	\$173.02	\$173.02
	97537-59	4	\$275.00	\$0.00	\$145.24	\$145.24
TOTAL			\$18,205.00	\$1,300.56	\$10,886.04	\$8,636.78

2. The requestor seeks reimbursement for CPT Codes 97535, 97532-59, 97530-59 and 97537-59 services rendered on June 23, 2014 through July 30, 2014. Review of the submitted documentation finds that the disputed services were preauthorized and therefore are subject to review pursuant to 28 Texas Administrative Code §134.203.

Per 28 Texas Administrative Code §134.203 (b) 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."

The Division completed NCCI edits to determine NCCI edit conflicts that could potentially affect reimbursement. The requestor billed the following CPT Codes; 97535, 97532-59, 97530-59 and 97537-59 the following edit conflicts were identified:

"Per CCI Guidelines, Procedure Code 97535 [SELF-CARE/HOME MGMT TRAINING EACH 15 MINUTES] has a CCI conflict with Procedure Code 97530 [THERAPEUT ACTIVITY DIRECT PT CONTACT EACH 15 MIN]. Review documentation to determine if a modifier is appropriate."

Review of the CMS-1500, does not document that a modifier was appended to CPT Code 97535, as a result, due to the edit conflict and no appropriate modifier appended to this CPT code, reimbursement cannot be recommended for CPT Code 97535 rendered on 6/23/2014, 6/24/2014, 6/25/2014, 6/26/2014, 7/14/2014, 7/15/2014, 7/16/2014, 7/21/2014, 7/22/2014, 7/23/2014 and 7/30/2014.

"Per CCI Guidelines, Procedure Code 97537 [COMMUNITY/WORK REINTEGRATION TRAINJ EA 15 MIN] has a CCI conflict with Procedure Code 97530 [THERAPEUT ACTIVITY DIRECT PT CONTACT EACH 15 MIN]. Review documentation to determine if a modifier is appropriate."

Review of the CMS-1500 supports that the requestor appended modifier -59, as a result, the requestor is entitled to reimbursement for CPT Code 97537 rendered on 6/23/2014, 6/24/2014, 6/25/2014, 6/26/2014, 7/14/2014, 7/15/2014, 7/16/2014, 7/21/2014, 7/22/2014, 7/23/2014 and 7/30/2014.

"Per CCI Guidelines, Procedure Code 97532 [DEVELOPMENT OF COGNITIVE SKILLS EACH 15 MINUTES] has a CCI conflict with Procedure Code 97530 [THERAPEUT ACTIVITY DIRECT PT CONTACT EACH 15 MIN]. Review documentation to determine if a modifier is appropriate."

Review of the CMS-1500 supports that the requestor appended modifier -59, as a result, the requestor is entitled to reimbursement for CPT Code 97532 rendered on 6/23/2014, 6/24/2014, 6/25/2014, 6/26/2014, 7/14/2014, 7/15/2014, 7/16/2014, 7/21/2014, 7/22/2014, 7/23/2014 and 7/30/2014.

No NCCI edit conflict was identified for CPT Code 97530, as a result, reimbursement is recommended for this CPT Code rendered on 6/23/2014, 6/24/2014, 6/25/2014, 6/26/2014, 7/14/2014, 7/15/2014, 7/16/2014, 7/21/2014, 7/22/2014, 7/23/2014 and 7/30/2014.

3. 28 Texas Administrative Code §134.203 states in pertinent part, "(c) 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..."

Per **MLN Matters® Number: MM7050 states in pertinent 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, 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 reduction applies to the HCPCS codes contained on the list of "always therapy" services that are paid under the MPFS, regardless of the type of provider or supplier that furnishes the services (e.g. hospitals, Home Health Agencies (HHAs), and Comprehensive Outpatient Rehabilitation Facilities (CORFs), etc.). The MPPR applies to the codes on the list of procedures included with CR7050 as Attachment 1. CR7050 is available at

<http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R826OTN.pdf> on the CMS website. Note that these services are paid with a non-facility PE. The current and proposed payments are summarized below in the following example based on the 75 percent reduction for institutional settings." **CPT Codes** 97532-59, 97530-59 and 97537-59 are identified as "always therapy" codes and are therefore subject to the multiple procedure payment reduction (MPPR). Reimbursement is calculated as follows:

- Procedure code 97532 x 12 units, service date June 23, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
- Procedure code 97530 x 4 units, service date June 23, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.987 is 0.52311. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.97198 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$54.19. 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 reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$54.19. The PE reduced rate is \$39.61 at 3 units is \$118.83. The total is \$173.02.
- Procedure code 97537 x 4 units, service date June 23, 2014, 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 1.002 is 0.4509. The practice expense (PE) RVU of 0.39 multiplied by the PE GPCI of 0.987 is 0.38493. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.84382 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.04. 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 reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.31 at 4 units is \$145.24.

- Procedure code 97532 x 12 units, service date June 24, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
- Procedure code 97530 x 4 units, service date June 24, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.987 is 0.52311. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.97198 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$54.19. 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 reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$54.19. The PE reduced rate is \$39.61 at 3 units is \$118.83. The total is \$173.02.
- Procedure code 97537 x 4 units, service date June 24, 2014, 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 1.002 is 0.4509. The practice expense (PE) RVU of 0.39 multiplied by the PE GPCI of 0.987 is 0.38493. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.84382 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.04. 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 reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.31 at 4 units is \$145.24.
- Procedure code 97532 x 12 units, service date June 25, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
- Procedure code 97530 x 4 units, service date June 25, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.987 is 0.52311. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.97198 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$54.19. 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 reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$54.19. The PE reduced rate is \$39.61 at 3 units is \$118.83. The total is \$173.02.
- Procedure code 97537 x 4 units, service date June 25, 2014, 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 1.002 is 0.4509. The practice expense (PE) RVU of 0.39 multiplied by the PE GPCI of 0.987 is 0.38493. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.84382 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.04. 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 reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.31 at 4 units is \$145.24.

- Procedure code 97532 x 12 units, service date June 26, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
- Procedure code 97530 x 4 units, service date June 26, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.987 is 0.52311. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.97198 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$54.19. 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 reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$54.19. The PE reduced rate is \$39.61 at 3 units is \$118.83. The total is \$173.02.
- Procedure code 97537 x 4 units, service date June 26, 2014, 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 1.002 is 0.4509. The practice expense (PE) RVU of 0.39 multiplied by the PE GPCI of 0.987 is 0.38493. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.84382 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.04. 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 reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.31 at 4 units is \$145.24.
- Procedure code 97532 x 12 units, service date July 14, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
- Procedure code 97530 x 4 units, service date July 14, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.987 is 0.52311. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.97198 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$54.19. 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 reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$54.19. The PE reduced rate is \$39.61 at 3 units is \$118.83. The total is \$173.02.
- Procedure code 97537 x 4 units, service date July 14, 2014, 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 1.002 is 0.4509. The practice expense (PE) RVU of 0.39 multiplied by the PE GPCI of 0.987 is 0.38493. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.84382 is multiplied by the Division conversion factor of

\$55.75 for a MAR of \$47.04. 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 reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.31 at 4 units is \$145.24.

- Procedure code 97532 x 12 units, service date July 15, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
- Procedure code 97530 x 4 units, service date July 15, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.987 is 0.52311. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.97198 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$54.19. 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 reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$54.19. The PE reduced rate is \$39.61 at 3 units is \$118.83. The total is \$173.02.
- Procedure code 97537 x 4 units, service date July 15, 2014, 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 1.002 is 0.4509. The practice expense (PE) RVU of 0.39 multiplied by the PE GPCI of 0.987 is 0.38493. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.84382 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.04. 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 reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$36.31 at 4 units is \$145.24.
- Procedure code 97532 x 12 units, service date July 16, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
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- Procedure code 97532 x 12 units, service date July 21, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
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- Procedure code 97532 x 12 units, service date July 30, 2014, 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 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.002 is 0.44088. The practice expense (PE) RVU of 0.3 multiplied by the PE GPCI of 0.987 is 0.2961. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.799 is 0.00799. The sum of 0.74497 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$41.53 at 12 units is \$498.36.
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4. The total allowable reimbursement for the services in dispute is \$8,636.78. This amount 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 \$8,636.78.

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 \$8,636.78 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
		May 6, 2016

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.