



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

James S. Garrison, MD

Respondent Name

New Hampshire Insurance Company

MFDR Tracking Number

M4-15-2554-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

April 13, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "We submitted a request for reconsideration to AIG on December 19, 2014, this request was in response to a \$771.15 reduction of the \$876.54 for the EMG/NCV Designated Doctor Referred Exam performed on April 24, 2014. Unfortunately our request was denied and we are seeking the balance owed to us.

The denial reason(s) per EOB are: Workers Compensation fee schedule adjustment..."

Amount in Dispute: \$105.39

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "AIG has reviewed the Medical Fee Dispute Resolution Request/Response (DWC-60). In reviewing the report, it is the carrier's position that the bill was paid and reduced per fee schedule, including denial of an unbundled charge for electrodes.

Therefore, in accordance with the Medicare and state fee schedule, the carrier has paid each CPT Code in dispute correctly..."

Response Submitted by: AIG

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: April 24, 2014, Evaluation & Management, new patient (99204) Needle Electromyography (95886) Nerve Conduction Studies, 5-6 studies (95909) Electrodes (A4556), \$105.39, \$0.00

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 §134.203 sets out the fee guidelines for billing and reimbursing professional medical services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 1 – (129) Prior processing information appears incorrect.
 - 1 – The Federal Tax ID Number entered on the billing form is invalid. Please return this form with the required information. (XF24)
 - 1 – (P12) Workers’ compensation jurisdictional fee schedule adjustment.
 - 1 – The amount paid reflects a fee schedule reduction. (P300)
 - 2 – (16) Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
 - 2 – The charge for this procedure exceeds the fee schedule allowance. (Z710)
 - 3 – (97) The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
 - 3 – Procedure code should not be billed without appropriate primary procedure. (U058)
 - 4 – This is a bundled or non covered procedure based on Medicare guidelines; no separate payment allowed. (B291).

Issues

1. Is CPT Code A4556 a bundled code?
2. What is the Maximum Allowable Reimbursement (MAR) for the payable services in dispute?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The insurance carrier denied disputed CPT Code A4556 (electrodes, per pair) with claim adjustment reason code “(97) The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.” 28 Texas Administrative Code §134.203(b)(1) states, in pertinent part, “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; ... and other payment policies in effect on the date a service is provided...”

Medicare policy finds that CPT Code A4556 is a Bundled/Excluded code, which means, “There are no RVUs and no payment amounts for these services. No separate payment should be made for them under the fee schedule.--If the item or service is covered as incident to a physician service and is provided on the same day as a physician service, payment for it is bundled into the payment for the physician service to which it is incident. (An example is an elastic bandage furnished by a physician incident to physician service.)--If the item or service is covered as other than incident to a physician service, it is excluded from the fee schedule (i.e., colostomy supplies) and should be paid under the other payment provision of the Act.”

The Medicare Benefit Policy Manual, Chapter 15 §60.1 states, “Incident to a physician’s professional services means that the services or supplies are furnished as an integral, although incidental, part of the physician’s personal professional services in the course of diagnosis or treatment of an injury or illness.” The electrodes are incident to the physician services furnished the same day, therefore, they are bundled in those services. The insurance carrier’s denial reason is supported. Additional reimbursement cannot be recommended for this code.

2. Procedure code 99204, service date April 24, 2014, represents a professional service with reimbursement determined per §134.203(c) which states, in relevant part, “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." 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 2.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 2.46402. The practice expense (PE) RVU of 1.99 multiplied by the PE GPCI of 1.013 is 2.01587. The malpractice RVU of 0.22 multiplied by the malpractice GPCI of 0.803 is 0.17666. The sum of 4.65655 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$259.60.

Procedure code 95886, service date April 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 0.86 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.87204. The practice expense (PE) RVU of 1.67 multiplied by the PE GPCI of 1.013 is 1.69171. The malpractice RVU of 0.04 multiplied by the malpractice GPCI of 0.803 is 0.03212. The sum of 2.59587 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$144.72 at 2 units is \$289.44.

Procedure code 95909, service date April 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 1.5 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 1.521. The practice expense (PE) RVU of 2.36 multiplied by the PE GPCI of 1.013 is 2.39068. The malpractice RVU of 0.09 multiplied by the malpractice GPCI of 0.803 is 0.07227. The sum of 3.98395 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$222.11.

3. The total allowable for the disputed services is \$771.15. The insurance carrier paid \$771.15. Therefore, no additional reimbursement is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

Signature

Laurie Garnes
Medical Fee Dispute Resolution Officer

May 28, 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.