



# 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 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

### MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

#### GENERAL INFORMATION

**Requestor Name**

MEDME Services Corporation

**Respondent Name**

ACE American Insurance Company

**MFDR Tracking Number**

M4-15-2702-01

**Carrier's Austin Representative**

Box Number 15

**MFDR Date Received**

April 23, 2015

#### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "The disputed fees for TENS supplies should be paid as these supplies are Medicare approved. Pre-authorization is not warranted or necessary because the TENS unit was approved for purchase on 02-17-14 and paid. Therefore additional use of the unit warrants additional supplies to insure proper function and continued benefit from the unit by the patient."

**Amount in Dispute:** \$839.49

#### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "...treatment outside ODG requires preauthorization. The provider did not request preauthorization. Therefore, the bills were denied."

**Response Submitted by:** ACE/ESIS

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
April 28, 2014 May 28, 2014 June 30, 2014	TENS supplies (A4595)	\$839.49	\$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 §134.600 sets out the procedures for preauthorization.
3. 28 Texas Administrative Code §137.100 establishes the commissioner's adopted treatment guidelines.

4. The insurance carrier reduced payment for the disputed services with the following relevant claim adjustment codes:
  - 62 – No proof of pre-auth (TX02)

### **Issues**

1. What are the correct rules for review of the disputed services?
2. Is the insurance carrier's denial of the disputed services supported?

### **Findings**

1. The requestor stated in their position statement that, "the disputed fees for TENS supplies should be paid as these supplies are **Medicare approved** [emphasis added]." 28 Texas Administrative Code §134.600 (b) states, "When division-adopted treatment guidelines conflict with this section, this section prevails." In addition, 28 Texas Administrative Code §134.600 (f) states, "The requestor or injured employee shall request and obtain preauthorization from the insurance carrier prior to providing or receiving health care listed in subsection (p) of this section." Review of the submitted documentation finds that the dispute in question involves a denial of treatment for lack of preauthorization. Therefore, the correct rules to review this dispute is 28 Texas Administrative Code §134.600.
2. The insurance carrier denied disputed services with claim adjustment reason code 62 – "No proof of pre-auth (TX02)." In supporting documentation, the requestor states, "Per rule 134.600 DME under \$500.00 does not require pre-authorization." The requestor appears to be referencing 28 Texas Administrative Code §134.600 (p)(9), which states, "all durable medical equipment (DME) **in excess** of \$500 billed charges per item (either purchase or expected cumulative rental)." This rule addresses only DME equipment in excess of \$500.00, which always requires preauthorization, regardless of the direction of the commissioner's adopted treatment guidelines. It does not follow that treatment under \$500.00 never requires preauthorization. These services are subject to 28 Texas Administrative Code §134.600 (p)(12), which states that preauthorization is required for "treatments and services that exceed or are not addressed by the commissioner's adopted treatment guidelines or protocols and are not contained in a treatment plan preauthorized by the insurance carrier."

Review of the commissioner's adopted guidelines, which are defined by 28 Texas Administrative Code §137.100 the current edition of the *Official Disability Guidelines - Treatment in Workers' Comp*, finds that supplies for a TENS unit are not addressed, which means they require preauthorization according to 28 Texas Administrative Code §134.600 (p)(12).

The requestor stated in their position statement that "pre-authorization is not warranted or necessary because the TENS unit was approved for purchase on 02-17-14 and paid." Review of the submitted documentation does not support a specific duration that the unit would be required. Nor does documentation find that separate authorization was requested for the supplies in question. For this reason, the insurance carrier's denial reason is supported. Additional reimbursement cannot be 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

June 17, 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.**