



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

Pain and Recovery Clinic

Respondent Name

New Hampshire Insurance Co

MFDR Tracking Number

M4-15-2809-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

April 28, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: No position statement submitted.

Amount in Dispute: \$1,219.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Our bill audit company has determined additional monies are owed for the following dates of service: Payment in the amount of \$655.80 plus interest of \$16.05 for DOS 07/10/14 to 07/17/14 has been issued. Payment in the amount of \$563.20 plus interest of \$1.86 DOS 09/17/14 to 09/19/14 has been issued. Attached is a copy of the EOB and payment information for your records."

Response Submitted by: Gallagher Bassett

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
July 10, 2014 through September 17, 2014	Physical Therapy	\$1,219.00	\$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

- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.203 sets out the fee guidelines for professional medical services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 20 – National Provider Identifier - Missing
 - W3 – Request for reconsideration

Issues

1. What is the applicable rule pertaining to reimbursement?
2. Is the requestor entitled to additional reimbursement?

Findings

1. 28 Texas Administrative Code §134.203 (c) states in pertinent 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 (date of service yearly conversion factor)." The maximum allowable reimbursement will be calculated as follows:
 - Procedure code 97110, service date July 10, 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 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. 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 \$38.28 at 4 units is \$153.12.
 - Procedure code 97140, service date July 10, 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 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.84701 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$47.22. 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 \$36.03 at 2 units is \$72.06.
 - Procedure code 97112, service date July 10, 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 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. 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 \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.
 - Procedure code 97014, service date July 10, 2014, has a status indicator of I, which denotes codes that are not valid for Medicare purposes. Medicare uses another code for the reporting and payment of these services. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$22.00.
 - Procedure code 97110, service date July 17, 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 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. 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 \$38.28 at 4 units is \$153.12.
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 - Procedure code 97110, service date September 17, 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 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. 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 \$38.28 at 4 units is \$153.12.
 - Procedure code 97140, service date September 17, 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 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.43602. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.004 is 0.4016. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939.

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- Procedure code 97112, service date September 17, 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 1.014 is 0.4563. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 1.004 is 0.48192. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.94761 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.83. 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 \$52.83. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is \$51.80.
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- Procedure code 97110, service date September 19, 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 1.014 is 0.4563. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.004 is 0.44176. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.90745 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$50.59. 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 \$50.59. The PE reduced rate is \$38.28 at 3 units is \$114.84. The total is \$165.43.

2. The total allowable reimbursement for the services in dispute is \$1,062.37. This amount less the amount previously paid by the insurance carrier of \$1,219.00 leaves an amount due to the requestor of \$0.00. No additional reimbursement can be 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 \$0.00.

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 \$0.00 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

May 29, 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.