



**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**

Shannon Clinic

**Respondent Name**

Old Republic Insurance Co

**MFDR Tracking Number**

M4-15-2862-01

**Carrier's Austin Representative**

Box Number 44

**MFDR Date Received**

May 4, 2015

**REQUESTOR'S POSITION SUMMARY**

**Requestor's Position Summary:** "Our physical therapy charges have been denied incorrectly. Our claim submission contained required modality codes & modifiers. Denial eob does not reflect our claim was processed correctly to include those."

**Amount in Dispute:** \$68.00

**RESPONDENT'S POSITION SUMMARY**

**Respondent's Position Summary:** "Our bill audit company has determined no further payment is due."

**Response Submitted by:** Gallagher Bassett

**SUMMARY OF FINDINGS**

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
December 30, 2014	97002, 97010, 97110, 97140, G0283, G8978, G8979	\$68.00	\$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 reimbursement guidelines for professional medical services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 4 – The procedure code is inconsistent with the modifier used or a required modifier is missing.
  - 2 – Per NCCI, the procedure code is denied, based on standard of medical, surgical practice. Procedure included in another code billed on the same day.

## Issues

1. Are the insurance carrier's reasons for denial or reduction of payment supported?
2. Is the requestor entitled to additional reimbursement?

## Findings

1. The insurance carrier denied disputed services with claim adjustment reason code 2 – “Per NCCI, the procedure code is denied, based on standard of medical, surgical practice. Procedure included in another code billed on the same day.” 28 Texas Administrative Code §134.203 (b) 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;” Review of the submitted medical bill finds;
  - Per CCI Guidelines, Procedure Code 97002 [Physical Therapy Re-Evaluation] has a CCI conflict with Procedure Code 97140 [Manual Therapy Tqs 1/> Regions Each 15 Minutes] and may not be reported with procedure code 97140 billed on this same claim.
  - Procedure code 97010, service date December 30, 2014, has a status indicator of B, which denotes a bundled code. Payments for these services are always bundled into payment for other services to which they are incident.
  - Procedure code 97110, service date December 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 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 0.916 is 0.40304. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.8612 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$48.01. 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 \$48.01.
  - Procedure code 97140, service date December 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 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.916 is 0.3664. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.80456 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$44.85. 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 \$34.64.
  - Procedure code G0283, service date December 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 0.18 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.18. The practice expense (PE) RVU of 0.2 multiplied by the PE GPCI of 0.916 is 0.1832. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.37136 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$20.70. 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 \$15.60.
2. The total allowable reimbursement for the services in dispute is \$107.16. This amount less the amount previously paid by the insurance carrier of \$122.47 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 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**

		May , 2015
Signature	Medical Fee Dispute Resolution Officer	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.**