



**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**

HCAA Medical Group, PA

**Respondent Name**

Granite State Insurance Co

**MFDR Tracking Number**

M4-15-3061-01

**Carrier's Austin Representative**

Box Number 19

**MFDR Date Received**

May 18, 2015

**REQUESTOR'S POSITION SUMMARY**

**Requestor's Position Summary:** "Attached are four dates of service for physical therapy that have not paid. I am having a most difficult time collecting on these claims and any time I try to resolve this on my own I end up on the phone for over 30 minutes with no resolution."

**Amount in Dispute:** \$1,147.56

**RESPONDENT'S POSITION SUMMARY**

**Respondent's Position Summary:** "Granite State Insurance is taking the position that the bills have been paid in accordance with the workers' compensation state fee guidelines and that the requested \$1,147.56 is not owed to the requestor."

**Response Submitted by:** AIG, P.O. Box 25794, Shawnee Mission, KS 66225

**SUMMARY OF FINDINGS**

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
October 27, 2014 through November 4, 2014	Physical Therapy Services	\$1,147.56	\$596.31

**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:
  - Workers' compensation jurisdictional fee schedule adjustment
  - The charge for the procedure exceeds the amount indicated in the fee schedule

- Duplicate claim/service
- The provider or a different provider has billed for the exact service on a previous bill where no allowance was originally recommended

### Issues

1. Did the respondent support their position in regards to payments made?
2. Are the insurance carrier's reasons for denial or reduction of payment supported?
3. What is the applicable rule pertaining to reimbursement?
4. Is the requestor entitled to additional reimbursement?

### Findings

1. The respondent states, "In regards to the 10/29/14 date of service, there have been two checks issued to Medrisk back on 6/10/2015 in the amount of \$75.76 back on 2/27/2015 where a check was issued in the amount of \$70.56." 28 Texas Administrative Code 133.307 (d)(2) states, "Upon receipt of the request, the respondent shall provide any missing information not provided by the requestor and known to the respondent. The respondent shall also provide the following information and records:

(A) the name, address, and contact information of the respondent;

(B) a paper copy of all initial and appeal EOBs related to the dispute, as originally submitted to the health care provider in accordance with this chapter, related to the health care in dispute not submitted by the requestor or a statement certifying that the respondent did not receive the health care provider's disputed billing prior to the dispute request;

An explanation of benefits was not found to support this statement. The "payment history" submitted does not meet the requirements of Rule 133.307 (d)(2). Therefore, only the payments supported by an explanation of benefits will be considered in this review.

2. Review of the submitted explanation of benefits finds;
  - a. Service in dispute for October 27, 2014, EOB dated February 4, 2015, no payment. EOB dated June 10, 2015 payment made of \$164.13
  - b. Service in dispute for October 29 - 30, 2014, EOB dated February 25, 2015, no payment (Duplicate claim/service). EOB dated June 5, 2015, no payment (Duplicate charge)
  - c. Service in dispute for November 4, 2014, EOB dated February 27, 2015, no payment (Duplicate claim/service)

The Division finds no evidence to support the "duplicate" denials. Therefore, the services in dispute will be reviewed per applicable rules and fee guidelines.

3. 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 October 27, 2014. 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 does not have the highest PE for this date. The PE reduced rate is \$36.78 at 2 units is \$73.56.

- Procedure code 97530, service date October 27, 2014. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.44. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.916 is 0.48548. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.93364 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.05. 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 \$52.05. The PE reduced rate is \$38.52. The total is \$90.57.
- Procedure code 97110, service date October 29, 2014. 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 does not have the highest PE for this date. The PE reduced rate is \$36.78 at 2 units is \$73.56.
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- Procedure code 97140, service date October 29, 2014. 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 97110, service date October 30, 2014. 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

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- Procedure code 97140, service date October 30, 2014. 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 97110, service date November 4, 2014. 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 does not have the highest PE for this date. The PE reduced rate is \$36.78 at 2 units is \$73.56.
- Procedure code 97530, service date November 4, 2014. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.44. The practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 0.916 is 0.48548. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.93364 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$52.05. 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 \$52.05. The PE reduced rate is \$38.52. The total is \$90.57.
- Procedure code 97140, service date November 4, 2014. 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.

4. The total allowable reimbursement for the services in dispute is \$760.44. This amount less the amount previously paid by the insurance carrier of \$164.13 leaves an amount due to the requestor of \$596.31. 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 \$596.31.

**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 \$596.31 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

**Authorized Signature**

_____	_____	July 28, 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.**