



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

INDEMNITY INSURANCE CO OF NORTH AMERICA

MFDR Tracking Number

M4-15-3245-01

Carrier's Austin Representative

Box Number 15

MFDR Date Received

JUNE 2, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Carrier has FAILED to recognize that the services rendered were authorized and properly documented."

Amount in Dispute: \$1,824.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Carrier filed a PLN-1 on 10/14/14 stating the Claimant's injury did not occur in the course and scope of employment. This PLN-1 was filed prior to the treatment rendered by Requestor. DWC Rule 134.600(d) states the Carrier is not liable [for preauthorized treatment] if there has been a final adjudication that the injury is not compensable."

Response Submitted By: Downs Stanford, PC

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. It lists five rows of service dates, CPT codes, and corresponding amounts.

October 20, 2014 October 24, 2014 October 30, 2014	electrical stimulation (unattended)		
TOTAL		\$1,824.00	\$1,514.30

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307, effective May 25, 2008, sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.600, requires preauthorization for specific treatments and services.
3. 28 Texas Administrative Code §134.203 effective March 1, 2008, sets the reimbursement guidelines for the disputed service.
4. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - B13-Previously paid. Payment for this claim/service may have been provided in a previous payment.
 - 247-A payment or denial has already been recommended for this service.
 - PI-These are adjustments initiated by the payer, for such reasons as billing errors or services that are considered not reasonable or necessary.

Issues

1. Does a compensability issue exist in this dispute?
2. Does a medical necessity issue exist in this dispute?
3. Is the requestor entitled to reimbursement for CPT code 97110 rendered on June 25, 2014?

Findings

1. The respondent states in the position summary that, "The Carrier filed a PLN-1 on 10/14/14 stating the Claimant's injury did not occur in the course and scope of employment. This PLN-1 was filed prior to the treatment rendered by Requestor. DWC Rule 134.600(d) states the Carrier is not liable [for preauthorized treatment] if there has been a final adjudication that the injury is not compensable."

28 Texas Administrative Code §133.307(d)(2)(F) states, "The response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in the review."

A review of the submitted explanation of benefits, finds that the respondent did not support denial of services based upon compensability; therefore, the Decision will address only those denials raised on the explanation of benefits.

2. Per 28 Texas Administrative Code §134.600(p)(5)(A) the non-emergency healthcare that requires preauthorization includes: "(5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS) at the following levels: (A) Level I code range for Physical Medicine and Rehabilitation, but limited to: (i) Modalities, both supervised and constant attendance; (ii) Therapeutic procedures, excluding work hardening and work conditioning."

On October 6, 2014, the requestor obtained preauthorization approval for "Active Physical Rehabilitation 3X4 left knee." The start date was October 6, 2014. The end date was January 10, 2015.

Review of the submitted documentation finds that the requestor provided five physical therapy sessions from October 16, 2014 through October 30, 2014.

The Division finds that based upon the submitted documentation, the disputed services were preauthorized per 28 Texas Administrative Code §134.600(p).

28 Texas Administrative Code §134.600(l) states, "The insurance carrier shall not withdraw a preauthorization or concurrent utilization review approval once issued."

The Division finds that a medical necessity issue does not exist in this dispute; therefore, the respondent's denial based upon reason code "PI." As a result, reimbursement is recommended.

3. Per 28 Texas Administrative Code §134.203(c)(1)(2), "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. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(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 following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

On the disputed date of service, the requestor billed CPT codes 97110-GP, 97140-GP, 97112-GP, and 97014-GP. CMS published Medical Learning Network (MLN) Matters, effective January 1, 2011, which states in part, "Many therapy services are time-based codes, i.e., multiple units may be billed for a single procedure. The Centers for Medicare & Medicaid Services (CMS) is applying a MPPR to the practice expense payment when more than one unit or procedure is provided to the same patient on the same day, i.e., the MPPR applies to multiple units as well as multiple procedures. Full payment is made for the unit or procedure with the highest PE payment. For subsequent units and procedures, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment for the PE for services furnished in office settings and other non-institutional settings and at 75 percent payment for the PE services furnished in institutional settings." The multiple procedure rule discounting applies to the disputed services.

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR).

The 2014 DWC conversion factor for this service is 55.75.

The Medicare Conversion Factor is 35.8228

Review of Box 32 on the CMS-1500 the services were rendered in Houston, Texas; therefore, the Medicare participating amount is based upon the locality of "Houston, Texas".

Using the above formula and multiple procedure rule discounting policy, the Division finds the following:

Code	Medicare Participating Amount	MAR	Insurance Carrier Paid	Total Due
97110-GP(X4)	\$32.13	\$52.22 (X4) \$155.68	\$0.00	\$155.68 X 5 dates = \$778.40
97140-GP(X2)	\$30.08	\$48.88 (X2) \$73.38	\$0.00	\$73.38 X 5 dates = \$366.90
97112-GP	\$33.49	\$51.80	\$0.00	\$51.80 X 5 dates = \$259.00
97014-GP	\$16.04	\$22.00	\$0.00	\$22.00 X 5 dates = \$110.00

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 \$1,514.30.

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 \$1,514.30 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

12/29/2015
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, effective May 31, 2012, *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 MDR 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.