



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

Memorial MRI and Diagnostic

Respondent Name

Ace American Insurance Co

MFDR Tracking Number

M4-15-3666-01

Carrier's Austin Representative

Box Number 15

MFDR Date Received

July 9, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "This claim as well as of all his other claims we submitted were filed timely."

Amount in Dispute: \$7,213.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: Written acknowledgement of medical fee dispute received however no position statement received.

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: October 3, 2014, Outpatient Radiology Services, \$7,213.00, \$636.65

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 §133.20 sets our requirements for medical bill submission by health care providers.
3. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
- RC 01 - The charge for the procedure exceeds the amount indicated in the fee schedule
- RC AB - The payment for this service is bundled into payment of other services
- RC AG - Fee schedule reimbursement is not valid for this services
- TO29 - The time limit for filing has expired

- TX 97 – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- TX P12 – Workers compensation jurisdictional fee schedule adjustment
- TX W1 – Workers compensation state fee schedule adjustment
- RC OP – A primary procedure has not been billed and/or recommended for payment. A charge for an add on procedure cannot be paid
- RC 60 – The provider has billed for the exact services on a previous bill
- RC AC – The payment for this service or supply should be established following review of the documentation by the insurance carrier
- RC MB – A charge for an evaluation on the same day as a surgical procedure has not been paid. Modifier 25 was used to identify a significant, separately identifiable evaluation and management service. A report must be submitted.
- RC ZR – The provider or a different provider has billed for the exact service on a previous bill where no allowance was originally recommended
- TX 16 – Claim/service lacks information which is needed for adjudication
- TX B13 – Previously paid. Payment for this claim/service may have been provided in a previous payment

The Division placed a copy of the Medical Fee Dispute Resolution request in the insurance carrier’s Austin representative box, which was acknowledged, received on July 17, 2015. The insurance carrier did not submit a response for consideration in this review. Per the Division’s former rule at 28 Texas Administrative Code §133.307(d)(1), effective May 25, 2008, 33 *Texas Register* 3954, “If the Division does not receive the response information within 14 calendar days of the dispute notification, then the Division may base its decision on the available information.” Accordingly, this decision is based on the available information.

Issues

1. Are the insurance carrier’s reasons for denial or reduction of payment supported?
2. What is the rule applicable to fee guideline?
3. Is the requestor entitled to additional reimbursement?

Findings

1. Based on the requestor’s position statement and request for reconsideration these claims were denied for “Past timely Filing.” 28 Texas Administrative Code §133.20 (b) states, “Except as provided in Labor Code §408.0272(b), (c) or (d), a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided.”

Review of the submitted information finds that:

- a. Fax cover sheet from requestor to Tri Star Bill Review that shows a successful transmission of “6” pages on December 30, 2014.

The Division finds the requestor has supported the timely submission of the medical claim per requirements of Rule 133.20. The insurance carrier’s denial reason is not supported. The disputed services will therefore be reviewed per applicable Division rules and fee guidelines.

2. 28 Texas Administrative Code 134.203(c) states

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 services in dispute will be reviewed as follows:

- Procedure code 64490, service date October 3, 2014. For this procedure, the relative value (RVU) for work of 1.82 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 1.84548. The practice expense (PE) RVU of 3.47 multiplied by the PE GPCI of 1.004 is 3.48388. The malpractice RVU of 0.19 multiplied by the malpractice GPCI of 0.939 is 0.17841. The sum of 5.50777 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$307.06.
- Procedure code 99499, service date October 3, 2014, has a status indicator of C, which denotes services for which payment amounts are established on an individual case basis upon review of documentation. CMS does not determine a price or relative value for these services. If reimbursement is justified, these services are paid at a fair and reasonable rate. This code is not assigned a relative value or payment amount. Per §134.203(f), reimbursement is provided in accordance with 28 Texas Administrative Code §134.1 regarding fair and reasonable reimbursement. The insurance carrier allowed \$0.00. Review of the submitted information finds insufficient documentation to support a different payment amount from that determined by the insurance carrier; therefore, additional reimbursement is not recommended.
- Procedure code 77003, service date October 3, 2014. For this procedure, the relative value (RVU) for work of 0.6 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 0.6084. The practice expense (PE) RVU of 1.9 multiplied by the PE GPCI of 1.004 is 1.9076. The malpractice RVU of 0.04 multiplied by the malpractice GPCI of 0.939 is 0.03756. The sum of 2.55356 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$142.36.
- Procedure code A4550, service date October 3, 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 S0020, service date October 3, 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.
- Procedure code J3301, service date October 3, 2014, has a status indicator of E, which denotes codes that are excluded from the Physician Fee Schedule by regulation. CMS does not determine a price or relative value for these services. If reimbursement is justified, these services are paid at a fair and reasonable rate. This code is not assigned a relative value or payment amount. Per §134.203(f), reimbursement is provided in accordance with 28 Texas Administrative Code §134.1 regarding fair and reasonable reimbursement. The insurance carrier allowed \$0.00. Review of the submitted information finds insufficient documentation to support a different payment amount from that determined by the insurance carrier; therefore, additional reimbursement is not recommended.
- Procedure code J3490, service date October 3, 2014, has a status indicator of E, which denotes codes that are excluded from the Physician Fee Schedule by regulation. CMS does not determine a price or relative value for these services. If reimbursement is justified, these services are paid at a fair and reasonable rate. This code is not assigned a relative value or payment amount. Per §134.203(f), reimbursement is provided in accordance with 28 Texas Administrative Code §134.1 regarding fair and reasonable reimbursement. The insurance carrier allowed \$0.00. Review of the submitted information finds insufficient documentation to support a different payment amount from that determined by the insurance carrier; therefore, additional reimbursement is not recommended.
- Procedure code J2001, service date October 3, 2014, has a status indicator of E, which denotes codes that are excluded from the Physician Fee Schedule by regulation. CMS does not determine a price or relative value for these services. If reimbursement is justified, these services are paid at a fair and reasonable rate. This code is not assigned a relative value or payment amount. Per §134.203(f), reimbursement is provided in accordance with 28 Texas Administrative Code §134.1 regarding fair and reasonable reimbursement. The insurance carrier allowed \$0.00. Review of the submitted information finds insufficient documentation to

support a different payment amount from that determined by the insurance carrier; therefore, additional reimbursement is not recommended.

- Procedure code 99211, service date October 3, 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 1.014 is 0.18252. The practice expense (PE) RVU of 0.37 multiplied by the PE GPCI of 1.004 is 0.37148. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.939 is 0.00939. The sum of 0.56339 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$31.41.
- Procedure code 94760, service date October 3, 2014, has a status indicator of T, which denotes injections. These are conditionally bundled services. These services are only paid if no other services payable under the Physician Fee Schedule are billed on the same date by the same provider. If any other services payable under the PFS are billed on the same date by the same provider, these services are bundled into the service(s) for which payment is made.
- Procedure code 64491, service date October 3, 2014. This is an add-on code not subject to multiple procedure discounts. For this procedure, the relative value (RVU) for work of 1.16 multiplied by the geographic practice cost index (GPCI) for work of 1.014 is 1.17624. The practice expense (PE) RVU of 1.42 multiplied by the PE GPCI of 1.004 is 1.42568. The malpractice RVU of 0.11 multiplied by the malpractice GPCI of 0.939 is 0.10329. The sum of 2.70521 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$150.82.

3. The total allowable reimbursement for the services in dispute is \$636.65. This amount less the amount previously paid by the insurance carrier of \$0.00 leaves an amount due to the requestor of \$636.65. 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 \$636.65.

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 \$636.65 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

September , 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.