



# 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**

Texas Health Resources HEB

**Respondent Name**

General Motors LLC

**MFDR Tracking Number**

M4-16-0757-01

**Carrier's Austin Representative**

Box Number 47

**MFDR Date Received**

November 13, 2015

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "Per Texas Administrative Code Chapter 134.403 (d), Outpatient hospital services, including surgical services, are reimbursable at 200% of Medicare allowable, with consideration to appropriate NCI Policy Manual edits regardless of billed charges."

**Amount in Dispute:** \$1,173.13

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "no additional reimbursement is owed to Provider because they were paid per the Medicare fee guidelines for the entire outpatient admission."

**Response Submitted by:** Downs ♦ Stanford, 2001 Bryan Street, Suite 4000, Dallas, Texas 75201

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
December 9, 2014	49505	\$1,173.13	\$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 §134.403 sets out the reimbursement guidelines for outpatient facility services provided in an acute care hospital.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - P12 – Workers' compensation jurisdictional fee schedule adjustment
  - 97 – Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated

- 954 – The allowance for normally packaged revenue and/or service codes have been paid in accordance with the dispersed outpatient allowance

### Issues

1. What is the applicable rule that applies to the services in dispute?
2. Is the requestor entitled to additional reimbursement?

### Findings

1. 28 Texas Administrative Coder 134.403(f) states,

The reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the Federal Register. The following minimal modifications shall be applied.

(1) The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by:

(A) 200 percent;

The payable submitted codes that have a separate allowable are calculated as follows;

- Procedure code 49505 has a status indicator of T, which denotes a significant procedure subject to multiple-procedure discounting. The highest paying status T procedure is paid at 100%; all others are paid at 50%. This procedure is paid at 100%. These services are classified under APC 0154, which, per OPPS Addendum A, has a payment rate of \$2,599.64. This amount multiplied by 60% yields an unadjusted labor-related amount of \$1,559.78. This amount multiplied by the annual wage index for this facility of 0.9512 yields an adjusted labor-related amount of \$1,483.66. The non-labor related portion is 40% of the APC rate or \$1,039.86. The sum of the labor and non-labor related amounts is \$2,523.52. The cost of these services does not exceed the annual fixed-dollar threshold of \$2,900. The outlier payment amount is \$0. The total Medicare facility specific reimbursement amount for this line is \$2,523.52. This amount multiplied by 200% yields a MAR of \$5,047.04.
- Procedure code 64425 has a status indicator of T, which denotes a significant procedure subject to multiple-procedure discounting. The highest paying status T procedure is paid at 100%; all others are paid at 50%. This procedure is paid at 50%. These services are classified under APC 0206, which, per OPPS Addendum A, has a payment rate of \$353.99. This amount multiplied by 60% yields an unadjusted labor-related amount of \$212.39. This amount multiplied by the annual wage index for this facility of 0.9512 yields an adjusted labor-related amount of \$202.03. The non-labor related portion is 40% of the APC rate or \$141.60. The sum of the labor and non-labor related amounts is \$343.63. The cost of these services does not exceed the annual fixed-dollar threshold of \$2,900. The outlier payment amount is \$0. The total Medicare facility specific reimbursement amount for this line, including multiple-procedure discount, is \$171.82. This amount multiplied by 200% yields a MAR of \$343.64.
- Procedure code C9290 has a status indicator of G, which denotes pass-through drugs and biologicals paid under OPPS; separate APC payment includes pass-through amount. These services are classified under APC 9290, which, per OPPS Addendum A, has a payment rate of \$1.15. This amount multiplied by 60% yields an unadjusted labor-related amount of \$0.69. This amount multiplied by the annual wage index for this facility of 0.9512 yields an adjusted labor-related amount of \$0.66. The non-labor related portion is 40% of the APC rate or \$0.46. The sum of the labor and non-labor related amounts is \$1.12 multiplied by 100 units is \$112.00. Per 42 Code of Federal Regulations §419.43(f) and Medicare Claims Processing Manual, CMS Publication 100-04, Chapter 4, §10.7.1, drugs, biologicals, and items and services paid at charges adjusted to cost are not eligible for outlier payments. The total Medicare facility specific reimbursement amount for this line is \$112.00. This amount multiplied by 200% yields a MAR of \$224.00.

2. The total allowable reimbursement for the services in dispute is \$5,614.68. This amount less the amount previously paid by the insurance carrier of \$6,014.79 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**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

December 10, 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.**