



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

WK PIERREMONT HEALTH

Respondent Name

BITCO GENERAL INSURANCE CORP

MFDR Tracking Number

M4-16-0470-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

October 22, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Our review of the above referenced bill underpaid per \$413.011, Texas Labor code, Rule 134.404, Facility Fee Guideline-Inpatient.

Provider requested for separate reimbursement for implants. Per workers' compensation of Texas Rule 134.404, Facility Fee Guideline-Inpatient when provider Facility request for separate reimbursement for implantable IS sought by facility or surgical implant provider. Regardless of billed amount, reimbursement provider should get 108% of DRG Medicare facility specific reimbursement amount plus implant payments.

Texas Mutual paid 143% of DRG rate and no reimbursement for implants sp provider sent for reconsideration letter on 9/5/15 by certified mail and CorVel received on 9/10/15. Provider received EOB dated 9/22/15 rejected as duplicate then 2nd EOB rejected stating that "The invoices you provided are missing the cost per item. Please provide a complete invoice with charges. Provider received invoice from Biomet as a package one bill not separate per line items."

Amount in Dispute: \$7,326.26

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Please see the EOBs from CorVel. The Texas Labor Code requires reimbursement for all medical expenses to be fair and reasonable and be designed to ensure the quality of medical care and to achieve effective medical cost control. TEX.LABOR CODE Section 413.011(d). Subject to further review, the carrier asserts that it has paid according to applicable fee guidelines and challenges whether the disputed charges are consistent with applicable fee guidelines."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: March 17, 2015 to March 18, 2015, Inpatient Hospital Services, \$7,326.26, \$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

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.404 sets out the acute care hospital fee guideline for inpatient services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - P12 – Workers' Compensation State Fee Schedule Adj
 - W3 – Appeal/Reconsideration
 - 150 – Payment adjusted/unsupported service level
 - B13 – Payment for service may have been previously paid
 - 16 – Svc lacks info needed or has billing error(s)
 - 18 – Duplicate claim/service
 - R1 – Duplicate billing

Issues

1. What is the applicable rule for determining reimbursement of the disputed services?
2. What is the recommended payment for the services in dispute?
3. Is the requestor entitled to additional reimbursement?

Findings

1. This dispute relates to facility medical services provided in an inpatient acute care hospital. No documentation was found to support that the services are subject to a specific fee schedule set in a contract that complies with the requirements of Labor Code §413.011. Reimbursement is therefore subject to the provisions of 28 Texas Administrative Code §134.404(f), which states:

The reimbursement calculation used for establishing the MAR [maximum allowable reimbursement] shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Inpatient Prospective Payment System (IPPS) 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) 143 percent; unless
 - (B) a facility or surgical implant provider requests separate reimbursement in accordance with subsection (g) of this section, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 108 percent.

Documentation provided by the requestor supported that the facility requested separate reimbursement for implantables however the invoice provided does not support the implant cost; for that reason, the MAR is calculated according to §134.404(f)(1)(A).

2. Per §134.404(f)(1)(A), the sum of the Medicare facility specific reimbursement amount and any applicable outlier payment by 143%. Information regarding the calculation of Medicare IPPS payment rates may be found at <http://www.cms.gov>. Review of the submitted documentation finds that the DRG code assigned to the services in dispute is 483. The services were provided at WK PIERREMONT HEALTH. Based on the submitted DRG code, the service location, and bill-specific information, the Medicare facility specific amount is \$13,190.69. This amount multiplied by 143% results in a MAR of \$18,862.69.
3. The total allowable reimbursement for the services in dispute is \$18,862.69. This amount less the amount previously paid by the insurance carrier of \$18,862.69 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

		11/20/15
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, 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 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.