



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

JAMES B BENNETT MD

Respondent Name

LIBERTY MUTUAL INSURANCE CO

MFDR Tracking Number

M4-16-3335-01

Carrier's Austin Representative

Box Number 01

MFDR Date Received

June 30, 2016

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "This entire claim is not being paid per the 2016 Texas Fee Schedule. Therefore we would like for you to reprocess this claim and pay additional money due."

Amount in Dispute: \$78.91

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The bill and documentation attached to the medical dispute have been re-reviewed and our position remains the same. No supporting documentation submitted to support additional payment of \$78.91 as stated by provider."

Response Submitted by: Liberty Mutual Insurance Company

SUMMARY OF FINDINGS

Date(s) of Service	Disputed Service(s)	Amount In Dispute	Amount Due
February 5, 2016	25280, 25280-59, 25290 and 25290-59	\$78.91	\$78.91

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 fee guidelines for the reimbursement of workers' compensation professional medical services provided on or after March 1, 2008.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - Z710 – The charge for this procedure exceeds the fee schedule allowance
 - U849 – This multiple procedure was reduced 50 percent according to fee schedule or Ingenix relative actual charge data

Issues

- Did the insurance carrier issue payment to the requestor for the disputed services?
- Did the requestor bill in accordance with 28 Texas Administrative Code §134.203 (b)?
- Is the requestor entitled to additional reimbursement?

Findings

1. Review of the submitted documentation finds that the insurance carrier issued a payment in the amount of \$7,583.74 to the requestor for CPT Codes 25280, 25280-59, 25290 and 25290-59. The requestor seeks an additional payment in the amount of \$78.91. The division will therefore review the disputed services and determine if the requestor is entitled to additional reimbursement for the disputed services.
2. 28 Texas Administrative Code §134.203 (b) states in pertinent part, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."

The requestor billed for multiple surgery codes provided on February 5, 2016. As a result, the division refers to the Medicare claims processing manual to determine the MAR reimbursement for multiple surgical procedures. The disputed services are reviewed pursuant to 28 Texas Administrative Code §134.203(c).

3. 28 Texas Administrative Code §134.203 states in pertinent part, "(c) 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..."

Review of the Medicare Claims Processing Manual, Chapter 12 - Physicians/Non-physician Practitioners, section 40.6 - Claims for Multiple Surgeries, CMS defines multiple surgeries as separate procedures performed by a single physician or physicians in the same group practice on the same patient at the same operative session or on the same day for which separate payment may be allowed. Per CMS, multiple surgeries are reimbursed as follows:

- 100 percent of the fee schedule amount... for the highest valued procedure; and
- 50 percent of the fee schedule amount for the second through the fifth highest valued procedures

Reimbursement is therefore determined as follows:

Procedure code 25280, service date February 5, 2016, 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 7.39 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 7.53041. The practice expense (PE) RVU of 7.6 multiplied by the PE GPCI of 1.006 is 7.6456. The malpractice RVU of 1.28 multiplied by the malpractice GPCI of 0.955 is 1.2224. The sum of 16.39841 is multiplied by the Division surgery conversion factor of \$71.32 for a MAR of \$1,169.53. This charge is reimbursed at 100% of the MAR. The insurance carrier issued a payment in the amount of \$1,158.02, as a result, the requestor is entitled to an additional payment in the amount of \$11.51.

Procedure code 25280, service date February 5, 2016, 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 7.39 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 7.53041. The practice expense (PE) RVU of 7.6 multiplied by the PE GPCI of 1.006 is 7.6456. The malpractice RVU of 1.28 multiplied by the malpractice GPCI of 0.955 is 1.2224. The sum of 16.39841 is multiplied by the Division surgery conversion factor of \$71.32 for a MAR of \$1,169.53 at 8 units is \$9,356.24. The multiple procedure payment reduction applies, as a result the MAR amount is \$4,678.12. The insurance carrier issued a payment in the amount of \$4,632.08, as a result the requestor is entitled to an additional payment in the amount of \$46.04.

Procedure code 25290, service date February 5, 2016, 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 5.43 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 5.53317. The practice expense (PE) RVU of 6.18 multiplied by the PE GPCI of 1.006 is 6.21708. The malpractice RVU of 1.02 multiplied by the malpractice GPCI of 0.955 is 0.9741. The sum of 12.72435 is multiplied by the Division surgery conversion factor of \$71.32 for a MAR of \$907.50 at 3 units is \$2,722.50. The multiple procedure payment reduction applies, as a result the MAR amount is \$1,361.25. The insurance carrier issued a payment in the amount of \$1,345.23, as a result, the requestor is entitled to an additional payment in the amount of \$16.02.

Procedure code 25290, service date February 5, 2016, 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 5.43 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 5.53317. The practice expense (PE) RVU of 6.18 multiplied by the PE GPCI of 1.006 is 6.21708. The malpractice RVU of 1.02 multiplied by the malpractice GPCI of 0.955 is 0.9741. The sum of 12.72435 is multiplied by the Division surgery conversion factor of \$71.32 for a MAR of \$907.50. The multiple procedure payment reduction applies, as a result the MAR amount is \$453.75. The insurance carrier issued a payment in the amount of \$448.41, as a result, the requestor is entitled to an additional reimbursement in the amount of \$5.34.

The Division finds that the insurance carrier issued a total payment in the amount of \$7,583.74 for the disputed CPT codes. The MAR amount is \$7,662.65, as a result, the requestor is entitled to an additional payment in the amount of \$78.91, as a result this amount is recommended.

4. Review of the submitted documentation finds that the requestor is entitled to an additional payment in the amount of \$78.91 for the disputed CPT codes, as a result, 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 \$78.91.

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 \$78.91 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	July 29, 2016
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.