



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 Azle

Respondent Name

Great American Alliance Ins

MFDR Tracking Number

M4-18-4430-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

July 23, 2018

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "...payment for services provided to the above referenced patient does not comply with Chapters 134.403 and 134.404 of Texas Administrative Code."

Amount in Dispute: \$3,740.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The provider is not entitled to any additional reimbursement."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
December 14 – 17, 2017	Outpatient Hospital Services	\$3,740.00	\$41.22

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 reimbursement guidelines for outpatient hospital services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - P12 – Workers' compensation jurisdictional fee schedule adjustment
 - 618 – The value of this procedure is packaged into the payment of other services performed on the same date of service

Issues

1. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor indicated on the DWC060 the amount in dispute is \$3,740.00 for outpatient hospital services rendered from December 14 – 17, 2017. The carrier reduced the billed charges as P12 – “Worker’s compensation jurisdictional fee schedule adjustment” and 618 – “The value of this procedure is packaged into the payment of other services performed on the same date of service.”

These outpatient services are subject to the provisions of 28 Texas Administrative 134.403. The specific sections are (d) and (f) shown below;

(d) For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided

The Medicare payment policy for the services in dispute are found at www.cms.gov in the Medicare Claims Processing Manual, Chapter 4 in the following sections.

10.1.1 - Payment Status Indicators

An OPPS payment status indicator is assigned to every HCPCS code. The status indicator identifies whether the service described by the HCPCS code is paid under the OPPS and if so, whether payment is made separately or packaged. The status indicator may also provide additional information about how the code is paid under the OPPS or under another payment system or fee schedule.

10.2 - APC Payment Groups

Each HCPCS code for which separate payment is made under the OPPS is assigned to an ambulatory payment classification (APC) group. The payment rate and coinsurance amount calculated for an APC apply to all of the services assigned to the APC.

10.4 - Packaging C. Packaging Types Under the OPPS

7. J2 services are assigned to comprehensive APCs when a specific combination of services are reported on the claim. Payment for all adjunctive services reported on the same claim as a J2 service is packaged into payment for the J2 service when certain conditions are met.

The Status Indicators and APC for the services listed on the DWC060 are as follows:

- Procedure code 96374, billed December 14, 2017 has a status indicator of S. Please see below as this is considered packaged when submitted on the same medical bill as a J2 service.
- Procedure code 96375, billed December 14, 2017 has a status indicator of S. Please see below as this considered packaged when submitted on the same medical bill as a J2 service.
- Procedure code 99284, billed December 14, 2017 has a status indicator of J2. As seen above this is defined as a comprehensive APC and all other services are packaged. The requirements of Comprehensive Observation Services (APC 8011) are when eight or more hours of observation are billed at the time of the Emergency Department visit.

Review of the medical bill found 59 hours of code G0378 – Hospital observation service – per hour.

This code is assigned APC 8011. The OPPS Addendum A rate is \$2,349.66, multiplied by 60% for an unadjusted labor amount of \$1,409.80, in turn multiplied by the facility wage index of 0.9636 for an adjusted labor amount of \$1,358.48. The non-labor portion is 40% of the APC rate, or \$939.86. The sum of the labor and non-labor portions is \$2,298.34.

28 Texas Administrative Code §134.403 (f) (1)(A) states in pertinent parts, “The reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount... multiplied by: 200 percent.”

The Medicare facility specific amount of \$2,298.34 is multiplied by 200% for a MAR of \$4,596.68.

The total recommended reimbursement for the disputed services is \$4,596.68. The insurance carrier paid \$4,555.46. An additional amount due of \$41.22 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 \$41.22.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the division has determined the requestor is entitled to additional reimbursement for the disputed services. The division hereby ORDERS the respondent to remit to the requestor \$41.22, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this order.

Authorized Signature

		August 17, 2018
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 Rule §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. **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.