TEXAS DEPARTMENT OF INSURANCE
**Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)**
7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645
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# MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

## *GENERAL INFORMATION*

**Requestor Name**
TEXAS HEALTH FORT WORTH

**Respondent Name**
FORT WORTH INDEPENDENT SCHOOL DISTRICT

**MFDR Tracking Number**
M4-18-4743-01

**Carrier's Austin Representative**
Box Number 16

**MFDR Date Received**
August 06, 2018

## *REQUESTOR'S POSITION SUMMARY*

**Requestor's Position Summary**: "Physical therapy services have not been reimbursed per state fee schedule rules."

**Amount in Dispute**: $35.04

## *RESPONDENT'S POSITION SUMMARY*

**Respondent's Position Summary**: "we found the bill was processed correctly."

**Response Submitted by**: IMO, Injury Management Organization, Inc.

## *SUMMARY OF FINDINGS*

| Dates of Service | Disputed Services | Dispute Amount | Amount Due |
|---|---|---|---|
| December 4, 2017 to December 11, 2017 | Outpatient Facility Services – Occupational Therapy | $35.04 | $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 §134.403 sets out the hospital facility fee guideline for outpatient services.
3. 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
   - 119 – BENEFIT MAXIMUM FOR THIS TIME PERIOD OR OCCURRENCE HAS BEEN REACHED.
   - 163 – THE CHARGE FOR THIS PROCEDURE EXCEEDS THE UNIT VALUE AND/OR MULTIPLE PROCEDURE RULES.
   - W3 – [No explanation of this code was found with the submitted materials]
   - 193 – ORIGINAL PAYMENT DECISION IS BEING MAINTAINED. UPON REVIEW, IT WAS DETERMINED THAT THIS CLAIM WAS PROCESSED PROPERLY.
   - 1014 - THE ATTACHED BILLING HAS BEEN RE-EVALUATED AT THE REQUEST OF THE PROVIDER. BASED ON THIS RE-EVALUATION, WE FIND OUR ORIGINAL REVIEW TO BE CORRECT. THEREFORE, NO ADDITIONAL ALLOWANCE APPEARS TO BE WARRANTED.

**Issues**

1. What is the recommended payment for the services in dispute?
2. Is the requestor entitled to additional reimbursement?

**Findings**

1. This dispute regards occupational therapy services performed in an outpatient hospital facility setting. Such services are not paid under Medicare's Outpatient Prospective Payment System but rather under Medicare's Physician Fee Schedule for professional services.

   Rule §134.403(h) requires that if Medicare pays using other Medicare fee schedules, reimbursement shall be made using the DWC fee guideline applicable to the code on the date the service was provided. Accordingly, payment for these services is calculated under the DWC Medical Fee Guideline for Professional Services, Rule §134.203(c).

   Medicare assigns each service a relative value unit (RVU) for work, practice expense and malpractice. The RVUs are adjusted by provider geographic practice cost indexes (GPCI). The Medicare fee is the sum of these values multiplied by a conversion factor. The maximum allowable reimbursement (MAR) is calculated by substituting the DWC conversion factor. The applicable division conversion factor for calendar year 2017 is $57.50.

   Per Medicare payment policy, when more than one unit is billed of therapy services (with multiple procedure payment indicator '5'), the first unit of the therapy with the highest practice expense for that day is paid in full. Payment is reduced by 50% of the practice expense (PE) for each extra therapy unit performed on that date.

   The division notes that only three line items from the medical bill are in dispute, all billed under code 97140.

   Reimbursement for the disputed services is calculated as follows:

   - Procedure code 97140, December 4, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. For each extra therapy unit after the first unit of the code with the highest practice expense (PE) for that date, payment is reduced by 50% of the PE. The PE for this code is not the highest for this date. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631 multiplied by 50% is 0.20316. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.6433 multiplied by the DWC conversion factor of $57.50 for a PE reduced rate of $36.99.
   - Procedure code 97140, December 6, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. For each extra therapy unit after the first unit of the code with the highest practice expense (PE) for that date, payment is reduced by 50% of the PE. The PE for this code is not the highest for this date. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631 multiplied by 50% is 0.20316. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.6433 multiplied by the DWC conversion factor of $57.50 for a PE reduced rate of $36.99.
   - Procedure code 97140, December 11, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. For each extra therapy unit after the first unit of the code with the highest practice expense (PE) for that date, payment is reduced by 50% of the PE. The PE for this code is not the highest for this date. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631 multiplied by 50% is 0.20316. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.6433 multiplied by the DWC conversion factor of $57.50 for a PE reduced rate of $36.99.

2. The total MAR (maximum allowable reimbursement) for the services in dispute is $110.97. The insurance carrier paid $110.97 for the three line items in dispute ($36.99 per each line item). The amount due to the requestor is $0.00. No additional payment is recommended.

**Conclusion**

In resolving disputes regarding the amount of payment due for health care determined to be medically necessary and appropriate for treatment of a compensable injury, the role of the division is to adjudicate the payment, given the relevant statutory provisions and division rules.

The division would like to emphasize that the findings and decision in this dispute are based on the evidence presented by the requestor and respondent available at the time of review. Even though not all the evidence was discussed, it was considered.

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 on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to $0.00 additional reimbursement for the services in dispute.

Authorized Signature

| | Grayson Richardson | 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.

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 form's instructions. 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 on the form, or to the field office handling the claim.

A party seeking review of this decision must deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. The request must include a copy of this *Medical Fee Dispute 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.