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
DOCTORS HOSPITAL AT RENAISSANCE

Respondent Name
TEXAS MUTUAL INSURANCE COMPANY

MFDR Tracking Number
M4-18-5056-01

Carrier's Austin Representative
Box Number 54

MFDR Date Received
August 20, 2018

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "After reviewing the account we have concluded that reimbursement received was inaccurate. Based on CPT Code 26356, allowed amount of $2373.50, multiplied at 200%, CPT Code 64910, allowed amount of $4152.23, multiplied at 200%, and CPT Code 96374, allowed amount of $ 171.46, multiplied at 200% reimbursement should be $13,394.38."

Amount in Dispute: $2,716.42

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "DOCTORS HOSPITAL AT RENAISSANCE billed codes 23656 and 64910, both J1 codes . . . When multiple J1 services are reported on the same claim . . . the single payment is based on the rate associated with the highest ranking J1 service code . . . The hospital NCCI edit shows code 96374 is comprehended to code 64910 unless a modifier is applied."

Response Submitted by: Texas Mutual Insurance Company

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Dispute Amount	Amount Due
April 12, 2018	Outpatient Hospital Services	$2,716.42	$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. Insurance Code §1305.153 sets out requirements for provider reimbursement.
4. Insurance Code §1305.006 establishes an insurance carrier's liability for out-of-network health care.
5. This dispute involves out-of-network services approved by the network in accordance with Insurance Code §1305.006. Accordingly, the request for medical fee dispute resolution is reviewed as provided by the Texas Workers' Compensation Act and applicable rules of the commissioner of workers' compensation.

6. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - A09 – DWC RULE DEFINITION OF IMPLANTABLES DOES NOT ENCOMPASS BIOLOGICALS; BIOLOGICALS AREN'T PAID AS IMPLANTABLES PER CH 134 DWC RULE & MEDICARE
   - P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
   - 97 – THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED.
   - D25 – APPROVED NON-NETWORK PROVIDER FOR WORKWELL, TX NETWORK CLAIMAINT PER RULE 1305.153 (C).
   - 217 – THE VALUE OF THIS PROCEDURE IS INCLUDED IN THE VALUE OF ANOTHER PROCEDURE PERFORMED ON THIS DATE.
   - 305 – THE IMPLANT IS INCLUDED IN THIS BILLING AND IS REIMBURSED AT THE HIGHER PERCENTAGE CALCULATION.
   - 370 – THE HOSPITAL OUTPATIENT ALLOWANCE WAS CALCULATED ACCORDING TO THE APC RATE, PLUS A MARKUP.
   - 616 - THIS CODE HAS STATUS Q APC INDICATOR AND IS PACKAGED INTO OTHER APC CODES THAT HAVE BEEN IDENTIFIED BY CMS.
   - 617 – THIS ITEM OR SERVICE IS NOT COVERED OR PAYABLE UNDER THE MEDICARE OUTPATIENT FEE SCHEDULE.
   - 618 – THE VALUE OF THIS PROCEDURE IS PACKAGED INTO THE PAYMENT OF OTHER SERVICES PERFORMED ON THE SAME DATE OF SERVICE.
   - 767 – PAID PER O/P FG AT 200%: IMPLANTS NOT APPLICABLE OR SEPARATE REIMBURSEMENT (WITH CERT) NOT REQUESTED PER RULE 134.403(G)
   - W3 – IN ACCORDANCE WITH TDI-DWC RULE 134.804, THIS BILL HAS BEEN IDENTIFIED AS A REQUEST FOR RECONSIDERATION OR APPEAL.
   - 193 – ORIGINAL PAYMENT DECISION IS BEING MAINTAINED. UPON REVIEW, IT WAS DETERMINED THAT THIS CLAIM WAS PROCESSED PROPERLY.
   - 350 – IN ACCORDANCE WITH TDI-DWC RULE 134.804, THIS BILL HAS BEEN IDENTIFIED AS A REQUEST FOR RECONSIDERATION OR APPEAL.
   - 724 – NO ADDITIONAL PAYMENT AFTER A RECONSIDERATION OF SERVICES. FOR INFORMATION CALL 1-800-937-6824

Issues

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

Findings

1. Insurance Code §1305.153(c) provides that "Out-of-network providers who provide care as described by Section 1305.006 shall be reimbursed as provided by the Texas Workers' Compensation Act and applicable rules of the commissioner of workers' compensation."

   Insurance Code §1305.006(3) provides that an insurance carrier that establishes or contracts with a network is liable for "health care provided by an out-of-network provider pursuant to a referral from the injured employee's treating doctor that has been approved by the network pursuant to Section 1305.103."

   This dispute involves out-of-network services approved by the network in accordance with §1305.006. Accordingly, this request for additional reimbursement is reviewed as provided by the Texas Workers' Compensation Act and applicable rules of the commissioner of workers' compensation.

2. This dispute regards outpatient facility services subject to DWC's *Hospital Facility Fee Guideline*, Rule §134.403, requiring the maximum allowable reimbursement (MAR) to be the Medicare facility specific amount applying Medicare Outpatient Prospective Payment System (OPPS) formulas and factors published in the Federal Register, as modified by DWC rules. Rule §134.403(f)(1) requires the Medicare facility specific amount and any outlier payment be multiplied by 200% for the disputed facility services.

   Medicare assigns an Ambulatory Payment Classification (APC) to OPPS services based on billed procedure codes and supporting documentation. The APC determines the payment rate. Reimbursement for ancillary items and services is packaged with the APC payment. CMS publishes quarterly APC rate updates, available at www.cms.gov.

Reimbursement for the disputed services is calculated as follows:

- Procedure codes 80048 and 85027 have status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 26356 has status indicator J1, indicating procedures paid at a comprehensive rate. When two "J1" procedures are billed together, payment is made for the J1 procedure with the higher payment and all other codes are included in the reimbursement for the comprehensive procedure. This J1 procedure does not have the highest reimbursement for this date. As a result, payment for this procedure is included in the reimbursement for J1 code 64910.
- Procedure code 64910 has status indicator J1, for procedures paid at a comprehensive rate. All covered services on the bill are packaged with the primary "J1" procedure (with the exception of certain codes not present on the bill). This code is assigned APC 5432. The OPPS Addendum A rate is $4,627.59, multiplied by 60% for an unadjusted labor amount of $2,776.55, in turn multiplied by the facility wage index of 0.8289 for an adjusted labor amount of $2,301.48. The non-labor portion is 40% of the APC rate, or $1,851.04. The cost of services does not exceed the threshold for outlier payment. The sum of the labor and non-labor portions is the facility specific amount of $4,152.52, which is multiplied by 200% for a MAR of $8,305.04.
- Procedure codes C1763, J2250, J2001, J0330, J2405, J2704, J0690, J3010, J2710, and J1885 have status indicator N, for packaged codes integral to the total service package with no separate payment; reimbursement is included with payment for the primary services.
- Procedure code A9270 has status indicator E1, for excluded or non-covered codes not payable on an outpatient bill. Payment is not recommended.
- Per Medicare policy, procedure code 96374 may not be reported with code 64910 billed on the same claim. Reimbursement for this service is included with payment for the primary procedure. Separate payment is not recommended.
- Payment for all other services on the bill is packaged with the primary comprehensive J1 service according to Medicare policy regarding comprehensive APCs. Reimbursement for all items is included in the payment for the primary procedure. Please see *Medicare Claims Processing Manual* Chapter 4 §10.2.3 for further details.

3. The total recommended reimbursement for the disputed services is $8,305.04. The insurance carrier paid $8,305.04. Additional payment is not 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 $0.00.

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 $0.00, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

	Grayson Richardson	September 28, 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 division must receive the request within twenty days of your receipt of this decision. The request may be faxed, mailed or personally delivered either to the division, using the contact information listed on the form, or to the field office handling the claim.

The party seeking review must deliver a copy of the request to all parties involved in the dispute at the same time the request is filed. Include a copy of this *Medical Fee Dispute Resolution Findings and Decision* together with any other information required by 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.