Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645
512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
CHARLES G. POLSEN, MD

Respondent Name
SERVICE LLOYDS INSURANCE CO

MFDR Tracking Number
M4-19-1589-01

Carrier's Austin Representative
Box Number 01

MFDR Date Received
NOVEMBER 19, 2018

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "This claim was originally submitted to Service Lloyds for process with CPT code 13132 and CPT code 26765. The carrier processed the original claim and allowed for CPT code 26765 but denied CPT code 13132. We submitted a reconsideration asking for the information submitted to be reviewed and we underlined the operative notes showing why we billed CPT code 13132…The reconsideration was reviewed and then upheld their decision, so I then spoke to the coder and we did a corrected claim replacing CPT code 13132 with CPT code 13160. The corrected claim was submitted…and the carrier still insisted the denial of CPT code 13160….We spoke to several reps over the course of a few months…we received correspondence stating that the 'corrected claim with CPT code 13132 was still not being allowed…. CPT code 13132 is clearly justified with being billed; this procedure was performed as well as clearly documented in the operative report."

Amount in Dispute: $1,885.67

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The submitted operative report does not meet the CPT code requirement for the billing of CPT code 13132. Therefore, we are unable to recommend any additional allowance."

Response Submitted by: Avidel

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
May 2, 2018	CPT Code 13132-59	$1,885.67	$498.80

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307, effective May 31, 2012 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets out the fee guidelines for

reimbursement of professional medical services provided in the Texas workers' compensation system.

3. The services in dispute were reduced/denied by the respondent with the following claims adjustment reason codes:
   - 16-Claim/service lacks information or has submission/billing error(s).
   - 270-No allowance has been recommended for this procedure/service/supply please see special *NOTE* below.
   - W3-In accordance with TDI-DWC rule 134.804, this bill has been identified as a request for reconsideration or appeal.
   - 350-Bill has been identified as a request for reconsideration or appeal.
   - 18-Exact duplicate claim/service.

Issues

1. What is the applicable fee guideline for professional services?
2. Does the documentation support billing CPT code 13132-59?
3. Is the requestor entitled to reimbursement for code 13132-59?

Findings

1. The fee guidelines for disputed services is found at 28 Texas Administrative Code §134.203.
2. The issue in dispute is whether the requestor is due reimbursement of $1885.67 for CPT code 13132-59.

   28 Texas Administrative Code §134.203(a)(5) states, "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."

   CPT code 13132 is described as "Repair, complex, forehead, cheeks, chin, mouth, neck, axillae, genitalia, hands and/or feet; 2.6 cm to 7.5 cm."

   According to the explanation of benefits (EOB), the respondent denied reimbursement for code 13132-59 based upon "16-Claim/service lacks information or has submission/billing error(s)." The respondent noted in the EOB that "

3. Per 28 Texas Administrative Code §134.203(c)(1)(2), "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. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of $50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the $51.90 (with the exception of surgery) Division conversion factor in 2007."

   To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR).

   The 2018 DWC conversion factor for this service is 73.19

   The 2018 Medicare Conversion Factor is 35.9996

   Review of Box 32 on the CMS-1500 the services were rendered in League City, Texas; therefore, the locality will be based on "Galveston, Texas".

   The Medicare participating amount for code 13132 in Galveston, Texas is $490.68.

   This code is subject to multiple procedure discounting of 50%. On the disputed date, the requestor billed and was reimbursed for the principal procedure 26765; therefore, a 5

   Using the above formula, the MAR is $997.59 X 50% = $498.80. The respondent paid $0.00. The requestor is due the difference between the amount due and paid which equals $498.80.

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 $498.80.

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 $498.80 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

	Elizabeth Pickle, RHIA	01/17/2019
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 MDR 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.