



# 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**

Karrn Bales, D.O.

**Respondent Name**

ACE American Insurance Company

**MFDR Tracking Number**

M4-19-2447-01

**Carrier's Austin Representative**

Box Number 15

**MFDR Date Received**

January 8, 2019

#### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "The impairment rating for burns take the range of motion of the ankle and the rating for burns take the range of motion of the ankle and the skin into consideration.

The AMA Guides 4 Edition discusses the calculation of impairment rating of the skin in chapter 13, page 280. An impairment rating is given for the skin based on table 2, page 280. The claimant has restricted range of motion of the ankle due to the chemical burns, so a whole person impairment rating is given based on Tables 42 and 43, page 78. The text on page 280 states, 'If impairment from a skin disorder is to be considered along with a component based on any other organ system, both components first must be expressed as whole person impairment percents and then combined using the Combined Values Chart (p. 322).'

Since the impairment rating was calculated utilizing the skin chapter of the guides and the lower extremity (foot/ankle) chapter of the Guides, two body parts are considered. Therefore, since two body parts are compensable (skin and lower extremity), two body parts are evaluated, and two body parts are given an impairment rating, we bill for two body parts."

**Amount in Dispute:** \$150.00

#### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** The insurance carrier's Austin representative acknowledged receipt of the copy of this medical fee dispute on January 15, 2019. The insurance carrier's response is considered timely if it is submitted within 14 calendar days after the date the insurance carrier's representative received the copy of the dispute. If a response is not received within 14 calendar days of the dispute notification, then the decision may be based on the available information.

No response has been received on behalf of ACE American Insurance Company to date. For that reason, the decision will be based on the information available.

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
October 17, 2018	Designated Doctor Examination (Impairment Rating)	\$150.00	\$150.00

## ***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 §134.250 sets out the fee guidelines for examinations to determine maximum medical improvement and impairment rating.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 119 – Benefit maximum for this time period or occurrence has been reached.
  - 186 – Additional charges received, but no additional allowance is recommended due to the maximum allowance for this admission has been reached.
  - Please refer to the note above for a detailed explanation of the reduction.
  - P12 – Workers' compensation jurisdictional fee schedule adjustment.
  - W3 – Additional payment made on appeal/reconsideration.
  - 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.
  - Notes: "Per AMA Guidelines, if a scar results in limited ROM then an impairment rating can be calculated. The testing for the ankle is combined in the medical records. There are not two separate examinations. Therefore the I/R is combined. No further reimbursement."

### **Issues**

1. Are the insurance carrier's reasons for reduction of payment supported?
2. Is the requestor entitled to additional reimbursement?

### **Findings**

1. Dr. Bales is seeking additional reimbursement for a designated doctor examination to determine impairment rating for a compensable injury. Dr. Bales utilized Chapter 3 (The Musculoskeletal System) and Chapter 13 (The Skin) to determine the whole-person impairment rating for "left ankle and foot chemical burns."

The insurance carrier stated on the explanations of benefits that "if a scar results in limited ROM then an impairment rating can be calculated. The testing for the ankle is combined in the medical records. There are not two separate examinations. Therefore the I/R is combined. No further reimbursement."

Chapter 13, Section 13.2, page 278 of *AMA Guides to the Evaluation of Permanent Impairment*, Fourth Edition, states:

Impairments of other body systems, for instance, ... restriction of motion or ankylosis of joints ... may be associated with the skin impairments. When there is a permanent impairment of more than one body system, the extent of whole-person impairment related to each system should be evaluated, and the estimated impairment percentages should be *combined* using the Combined Values Chart (p. 322) to determine the person's total impairment.

The documentation submitted supports that Dr. Bales determined the total impairment of the injured employee by combining impairment percentages for the lower extremity and skin. The division finds that the insurance carrier's is not supported.

2. The maximum allowable reimbursement (MAR) for the evaluation of the lower extremities, a musculoskeletal body area performed with range of motion is \$300.00.<sup>1</sup> The MAR for the evaluation of the

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<sup>1</sup> 28 Texas Administrative Code §134.250(4)(C)(ii)(II)(-a-)

skin, a non-musculoskeletal body area is \$150.00.<sup>2</sup> The total MAR for the determination of impairment rating is \$450.00. The insurance carrier reimbursed \$300.00. An additional reimbursement of \$150.00 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 \$150.00.

**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 \$150.00, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

**Authorized Signature**

_____	Laurie Garnes	_____	April 11, 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 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.**

<sup>2</sup> 28 Texas Administrative Code §134.250(4)(D)(v)