



# 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**

Patient Care Injury Clinic

**Respondent Name**

Liberty Insurance Corp

**MFDR Tracking Number**

M4-19-2733-01

**Carrier's Austin Representative**

Box Number 1

**MFDR Date Received**

January 17, 2019

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "We feel that our facility should be paid according to the workers compensation fee schedule guidelines."

**Amount in Dispute:** \$1,329.18

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "DOS 07/06/2018 has been reviewed and Liberty Mutual is not questioning the medical necessity of the services rendered. The reductions that are applied are related to the CMS limitations on the number of physical therapy units allowed per day."

**Response Submitted by:** Liberty Mutual

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
July 6, 2018 August 17 – 27, 2018	Physical therapy services	\$1,329.18	\$484.78

### 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 §134.203 sets out the reimbursement guidelines for professional medical services.
- 28 Texas Administrative Code §134.600 sets out the requirements for prior authorization.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 163 – The charge for this procedure exceeds the unit value and/or the multiple procedure rules
  - 168 – 119 Benefit maximum for this time period or occurrence has been reached

- 197 - Precertification/authorization/notification/pre-treatment absent
- P12 – The charge for this procedure exceeds the fee schedule allowance

### Issues

1. Are the insurance carrier’s reasons for denial or reduction of payment supported?
2. What is Medicare payment policy?
3. What rule is applicable to reimbursement guidelines?
4. Is the requestor entitled to additional reimbursement?

### Findings

1. The requestor is seeking additional reimbursement in the amount of \$1,329.18 for physical therapy services rendered from July 6, 2018 through August 27, 2018. The carrier reduced the services in dispute as “unit value being exceeded.” The respondent states in their response, “The reductions that are applied are related to the CMS limitations on the number of physical therapy units allowed per day.”

Review of the submitted documentation found insufficient evidence to support the “CMS limitations” cited by the respondent. The carrier’s reduction in number of units is not supported.

Code G0283 was denied as 197 – “Precertification/authorization/notification/pre-treatment absent.” 28 TAC 134.600 (p) (5) states in pertinent part, “physical and occupational therapy services...” The carrier’s denial is supported. This denial applies to this code on all dates of service.

The allowable reduction based on “multiple procedure rules” is discussed below.

2. 28 TAC 134.203 (b) (1) states in pertinent part,

For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following:

- (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules.

The Medicare payment policy regarding multiple procedure payment reduction is found in the Centers for Medicare and Medicaid Claims Processing Manual, Chapter 5, states in applicable section 10.7,

*Medicare applies an MPPR to the PE payment when more than one unit or procedure is provided to the same patient on the same day, i.e., the MPPR applies to multiple units as well as multiple procedures. Many therapy services are time-based codes, i.e., multiple units may be billed for a single procedure. The MPPR applies to all therapy services furnished to a patient on the same day, regardless of whether the services are provided in one therapy discipline or multiple disciplines, for example, physical therapy, occupational therapy, or speech-language pathology.*

*Full payment is made for the unit or procedure with the highest PE payment.*

*For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, **full payment is made for work and malpractice and 50 percent payment is made for the PE for services** submitted on either professional or institutional claims.*

To correctly apply the MPPR reduction, the calculation of reimbursement for all the services provided for each date of service in dispute is shown below.

3. 28 Texas Administrative Code 134.203 (c) states in pertinent part,

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 (date of service yearly conversion factor).

The Medicare Multiple Procedure Payment Reduction file is found at:

<https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>

The MAR calculation is as follows:

- Procedure code 97110 billed July 6, 2018 for four units has a PE of 0.4 the highest for this date of service. The first unit will be paid at the full allowable of \$31.77. The second, third and fourth units will be paid at the reduced rate of \$24.48.  $58.31/35.9996 \times \$31.77 = \$51.46$ .  $58.31/35.9996 \times \$24.48 \times 3 = \$118.95$ .  $\$51.46 + \$118.95 = \$170.41$
- Procedure code 97140 billed July 6, 2018 for two units was denied as 168 - "Benefit maximum for this time period or occurrence has been reached." Review of the June 12, 2018, Service Date (s): 06/11/2018 for 8 Day(s) or Visit(s) and 4 Week(s), if applicable. 8 visits of physical therapy, lumbar spine, including 97110, 97112, 97140. Dates of service: 06/11/18 to 8/12/18." This authorization did not limit the number of units. The carrier's denial is not supported and will not be considered in the remaining dates of service for this code. The code has a PE of 0.35 not the highest for this date and will be paid at the reduced rate of \$22.50.  $58.31/35.9996 \times \$22.50 \times 2 = \$72.89$
- Procedure code 97112 billed July 6, 2018 has a PE of 0.47 not the highest for this date and will be paid at the reduced rate of \$27.60.  $58.31/35.9996 \times \$27.60 = \$44.70$
- Procedure code 97110 billed August 17, 2018 for four units has a PE of 0.4 the highest for this date of service. The first unit will be paid at the full allowable of \$31.77. The second, third and fourth units will be paid at the reduced rate of \$24.48.  $58.31/35.9996 \times \$31.77 = \$51.46$ .  $58.31/35.9996 \times \$24.48 \times 3 = \$118.95$ .  $\$51.46 + \$118.95 = \$170.41$
- Procedure code 97140 billed August 17, 2018 for two units was denied as 168 - "Benefit maximum for this time period or occurrence has been reached." Review of the July 23, 2018, Service Date (s): 07/20/2018 for 8 Day(s) or Visit(s) and 4 Week(s), if applicable. 8 additional visits of physical therapy, for the lumbar with CPT codes - 97110, 97112, 97140. Dates of service: 7/20/18 - 9/24/18." This authorization did not limit the number of units. The carrier's denial is not supported and will not be considered in the remaining dates of service for this code. has a PE of 0.35 not the highest for this date and will be paid at the reduced rate of \$22.50.  $58.31/35.9996 \times \$22.50 \times 2 = \$72.89$
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- Procedure code 97110 billed August 27, 2018 for four units has a PE of 0.4 the highest for this date of service. The first unit will be paid at the full allowable of \$31.77. The second, third and fourth units will be paid at the reduced rate of \$24.48.  $58.31/35.9996 \times \$31.77 = \$51.46$ .  $58.31/35.9996 \times \$24.48 \times 3 = \$118.95$ .  $\$51.46 + \$118.95 = \$170.41$

- Procedure code 97140 billed August 27, 2018 for two units has a PE of 0.35 not the highest for this date and will be paid at the reduced rate of \$22.50.  $58.31/35.9996 \times \$22.50 \times 2 = \$72.89$
- Procedure code 97112 billed August 27, 2018 has a PE of 0.47 not the highest for this date and will be paid at the reduced rate of \$27.60.  $58.31/35.9996 \times \$27.60 = \$44.70$

The total allowable reimbursement is \$1,152.00. The carrier paid \$667.22. The balance of \$484.78 is due to the requestor.

### 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 \$484.78.

### **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 \$484.78, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this order.

### Authorized Signature

Signature	Medical Fee Dispute Resolution Officer	March 21, 2019 Date
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### **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.**