



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 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

TEXAS HEALTH OF PLANO

Respondent Name

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA

MFDR Tracking Number

M4-19-2889-01

Carrier's Austin Representative

Box Number 15

MFDR Date Received

January 25, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Per Rule 134.403 section E all HCPCS's that are paid per the fee schedule should pay per the APC allowable at 200% regardless of the billed charges..."

Amount in Dispute: \$141.58

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "the total amount paid of \$2,609.00 is the total amount that was owed for the actual outpatient hospital service per the fee guidelines."

Response Submitted by: Downs Stanford, P.C.

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Dispute Amount	Amount Due
August 17, 2018	Outpatient Hospital Services	\$141.58	\$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

- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.403 sets out the hospital facility fee guideline for outpatient services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
 - 97 – PAYMENT ADJUSTED BECAUSE THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED.
 - OA – THE AMOUNT ADJUSTED IS DUE TO BUNDLING OR UNBUNDLING OF SERVICES.
 - 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.

Issues

Is the requestor entitled to additional reimbursement?

Findings

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 36415, 80053, 85730, 85610, 85025 have status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 99285 represents an emergency department evaluation assigned APC 5025 with an OPPS Addendum A rate of \$520.85. This is multiplied by 60% for an unadjusted labor amount of \$312.51, which is in turn multiplied by the facility wage index of 0.9756 for an adjusted labor amount of \$304.88. The non-labor portion is 40% of the APC rate, or \$208.34. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$513.22. This is multiplied by 200% for a MAR of \$1,026.44.
- Procedure code 96375 has status indicator S, for procedures not subject to reduction. This code is assigned APC 5691. The OPPS Addendum A rate is \$37.03, multiplied by 60% for an unadjusted labor amount of \$22.22, in turn multiplied by the facility wage index of 0.9756 for an adjusted labor amount of \$21.68. The non-labor portion is 40% of the APC rate, or \$14.81. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$36.49, which is multiplied by 200% for a MAR of \$72.98.
- Procedure code 96374 has status indicator S, for procedures not subject to reduction. This code is assigned APC 5693. The OPPS Addendum A rate is \$191.09, multiplied by 60% for an unadjusted labor amount of \$114.65, in turn multiplied by the facility wage index of 0.9756 for an adjusted labor amount of \$111.85. The non-labor portion is 40% of the APC rate, or \$76.44. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$188.29. This is multiplied by 200% for a MAR of \$376.58.
- Procedure code 96361 has status indicator S, for procedures not subject to reduction. This code is assigned APC 5691. The OPPS Addendum A rate is \$37.03, multiplied by 60% for an unadjusted labor amount of \$22.22, in turn multiplied by the facility wage index of 0.9756 for an adjusted labor amount of \$21.68. The non-labor portion is 40% of the APC rate, or \$14.81. The sum of the labor and non-labor portions is \$36.49 multiplied by 2 units is the Medicare facility specific amount of \$72.98. This is multiplied by 200% for a MAR of \$145.96.
- Procedure codes Q9967, J7030, J2405, J2270 have status indicator N, for packaged codes integral to the total service package with no separate payment; reimbursement is included with payment for primary services.
- Procedure code 93005 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.
- Procedure codes 74177, 72125, 70450, and 71260 have status indicator Q3, for packaged codes paid through a composite APC. These codes are major components of a single episode of care for which the hospital receives one payment for any combination of designated procedures. This composite is assigned APC 8006—computed tomography (CT) services including contrast. If a “without contrast” CT and a “with contrast” CT are billed together, APC 8006 is assigned instead of APC 8005. The OPPS Addendum A rate is \$500.85, which is multiplied by 60% for an unadjusted labor amount of \$300.51, in turn multiplied by the facility wage index of 0.9756 for an adjusted labor amount of \$293.18. The non-labor portion is 40% of the APC rate, or \$200.34. The cost of services does not exceed the threshold for outlier payment. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$493.52, which is multiplied by 200% for a MAR of \$987.04.

The total recommended reimbursement for the disputed services is \$2,609.00. The insurance carrier paid \$2,609.00. The amount remaining due is \$0.00. Additional payment is not recommended.

Conclusion

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

_____	<u>Grayson Richardson</u>	<u>February 28, 2019</u>
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 DWCO45M) 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.