



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

MVP SPECIALIST SURGERY CENTER

Respondent Name

AMERICAN ZURICH INSURANCE CO

MFDR Tracking Number

M4-19-3030-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

FEBRUARY 4, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Please review the data provided and have this claim reprocessed to allow for proper payment."

Amount in Dispute: \$18,330.02

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The provider has already been reimbursed the amount of \$23,381.00. the provider is not entitled to any additional reimbursement."

Response Submitted By: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. It lists four rows of services for April 13, 2018, with various CPT codes and associated amounts.

| | | | |
|----------------|---|--------------|--------|
| April 13, 2018 | CPT Code 20937 Ambulatory Surgical Care Services | \$5,689.00 | \$0.00 |
| | HCPCS Code L8699 Ambulatory Surgical Care Services | \$7,150.00 | \$0.00 |
| | HCPCS Code L8699 Ambulatory Surgical Care Services | \$1,265.00 | \$0.00 |
| | HCPCS Code A4649 Ambulatory Surgical Care Services | (\$5,358.00) | \$0.00 |
| TOTAL | | \$18,330.02 | \$0.00 |

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 medical fee disputes.
2. 28 Texas Administrative Code §134.402, effective August 31, 2008, sets out the reimbursement guidelines for ambulatory surgical care services.
3. 28 Texas Administrative Code §133.10, effective April 1, 2014, sets out the required health care provider billing procedures.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - P12-Workers' compensation jurisdictional fee schedule adjustment.
 - 234-This procedure is not paid separately.
 - Z710-The charge for this procedure exceeds the fee schedule allowance.
 - 59-Processed based on multiple or concurrent procedure rules.

Issue

Is the requestor entitled to additional reimbursement for ASC services rendered on April 13, 2018?

Findings

1. The fee guideline for ASC services is found in 28 Texas Administrative Code §134.402.
2. 28 Texas Administrative Code §134.402(d) states "For coding, billing, and reporting, of facility services covered in this rule, Texas workers' compensation system participants shall apply the Medicare payment policies in effect on the date a service is provided with any additions or exceptions specified in this section, including the following paragraphs."
3. On the disputed date of service, the requestor billed CPT codes 22612-SG, 63042-SG, 22842-SG, 61783-SG-59, 20937-SG, L8699 and A4649. The division finds on the Table of Disputed Services, the requestor listed code 22840 instead of 22842. A review of the submitted bills and explanation of benefits support code 22842 was billed not 22840. The division concludes the code in dispute is 22842.
4. The disputes services are described as:
 - CPT code 22612 is described as "Arthrodesis, posterior or posterolateral technique, single level; lumbar (with lateral transverse technique, when performed)."
 - CPT code 63042 is described as "Laminotomy (hemilaminectomy), with decompression of nerve root(s), including partial facetectomy, foraminotomy and/or excision of herniated intervertebral disc, reexploration, single interspace; lumbar ."

- CPT code 22842 is described as “Posterior segmental instrumentation (eg, pedicle fixation, dual rods with multiple hooks and sublaminar wires); 3 to 6 vertebral segments (List separately in addition to code for primary procedure).”
 - CPT code 61783 is described as “Stereotactic computer-assisted (navigational) procedure; spinal (List separately in addition to code for primary procedure).”
 - CPT code 20937 is described as “Autograft for spine surgery only (includes harvesting the graft); morselized (through separate skin or fascial incision) (List separately in addition to code for primary procedure).”
 - HCPCS Code L8699 is described as “Prosthetic implant, not otherwise specified.”
 - HCPCS Code A4649 is described as a “Surgical supply; miscellaneous.”
5. The requestor is seeking separate reimbursement for the implantables with HCPCS Code L8699. The respondent denied reimbursement based upon reason code “234-This procedure is not paid separately.”

28 Texas Administrative Code §133.10(f)(1)(W) states, “All information submitted on required paper billing forms must be legible and completed in accordance with this section. The parenthetical information following each term in this section refers to the applicable paper medical billing form and the field number corresponding to the medical billing form. (1)The following data content or data elements are required for a complete professional or non-institutional medical bill related to Texas workers' compensation health care: (W) supplemental information (shaded portion of CMS-1500/field 24d - 24h) is required when the provider is requesting separate reimbursement for surgically implanted devices or when additional information is necessary to adjudicate payment for the related service line.”

A review of the submitted medical bill finds the requestor did not indicate on fields 24d-24h a request for separate reimbursement for the implantables. Therefore, the respondent’s denial is supported. As a result, the requestor is not due separate reimbursement for code L8699.

6. The applicable guideline for the disputed services is found at 28 Texas Administrative Code §134.402(f)(1)(A) that states “The reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the Federal Register. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November 27, 2007 publication of the Federal Register, or its successor. The following minimal modifications apply: (1) Reimbursement for non-device intensive procedures shall be: (1) Reimbursement for non-device intensive procedures shall be: (A) The Medicare ASC facility reimbursement amount multiplied by 235 percent.”
7. Per Addendum AA, codes 20937, 61783 and 22842 have a payment indicator “N1.” Per Addendum DD1, “N1” is defined as “Packaged service/item; no separate payment made.” As a result, reimbursement is not recommended for these codes.
8. Per 28 Texas Administrative Code §134.402(f), the ASC services eligible for reimbursement are codes 22612, 63042, and L8699.

22612:

The following formula was used to calculate the MAR:

The Medicare ASC reimbursement for code 22612 CY 2018 is \$5,069.05.

The Medicare ASC reimbursement rate is divided by 2 = \$2,534.52.

This number multiplied by the City Wage Index for Houston, Texas is $\$2,534.52 \times 0.9750 = \$2,471.15$.

Add these two together equals the geographically adjusted Medicare ASC reimbursement rate is $\$5,005.67$.

To determine the MAR, multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 235% = $\$11,763.32$.

63042:

The following formula was used to calculate the MAR:

The Medicare ASC reimbursement for code 63042 CY 2018 is $\$2,721.37$.

The Medicare ASC reimbursement rate is divided by 2 = $\$1,360.68$.

This number multiplied by the City Wage Index for Houston, Texas is $\$1,360.68 \times 0.9750 = \$1,326.66$.

Add these two together equals the geographically adjusted Medicare ASC reimbursement rate is $\$2,687.34$.

To determine the MAR, multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 235% = $\$6,315.24$. This code is subject to multiple procedure rule discounting of 50% = $\$3,157.62$.

The MAR for the ASC services is $\$14,920.94$. The respondent paid $\$23,381.00$. As a result, additional reimbursement 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 upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to $\$0.00$ reimbursement for the services in dispute.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

Date

4/4/2019

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.