



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

HARTFORD CASUALTY INSURANCE COMPANY

MFDR Tracking Number

M4-19-3071-01

Carrier's Austin Representative

Box Number 47

MFDR Date Received

February 8, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Phys Conversion Factor applied to Hospital Service."

Amount in Dispute: \$51.13

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "These services are processed using Medicare's Physician Fee Schedule rate."

Response Submitted by: The Hartford

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Dispute Amount	Amount Due
June 5, 2018 to June 27, 2018	Outpatient Physical and Occupational Therapy	\$51.13	\$8.85

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and 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.
- 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.
- Texas Labor Code §408.021 entitles an injured employee to all required health care as and when needed.
- 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
 - P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
 - 163 – THE CHARGE FOR THIS PROCEDURE EXCEEDS THE UNIT VALUE AND/OR MULTIPLE PROCEDURE RULES
 - 170 – REIMBURSEMENT IS BASED ON THE OUTPATIENT/INPATIENT FEE SCHEDULE.
 - 86 – SERVICE PERFORMED WAS DISTINCT OR INDEPENDENT FROM OTHER SERVICES PERFORMED ON THE SAME DAY.
 - 97 – PAYMENT ADJUSTED BECAUSE THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED.
 - 236 – THIS PROCEDURE OR PROCEDURE/MODIFIER COMBINATION IS NOT COMPATIBLE WITH ANOTHER PROCEDURE OR PROCEDURE/MODIFIER COMBINATION PROVIDED ON THE SAME DAY ACCORDING TO THE NCCI OR WORKERS COMPENSATION STATE REGULATIONS /FEE SCHEDULE REQUIREMENTS.

- 243 – THE CHARGE FOR THIS PROCEDURE WAS NOT PAID SINCE THE VALUE OF THIS PROCEDURE IS INCLUDED/BUNDLED WITHIN THE VALUE OF ANOTHER PROCEDURE PERFORMED.
- 1115 - WE FIND THE ORIGINAL REVIEW TO BE ACCURATE AND ARE UNABLE TO RECOMMEND ANY ADDITIONAL ALLOWANCE

Issues

1. Is the injured employee subject to a benefit maximum?
2. Is the requestor entitled to additional reimbursement?

Findings

1. The insurance carrier denied payment for disputed services with claim adjustment reason code:

- 119 – BENEFIT MAXIMUM FOR THIS TIME PERIOD OR OCCURRENCE HAS BEEN REACHED

Texas Labor Code §408.021(a) provides that “An employee who sustains a compensable injury is entitled to all health care reasonably required by the nature of the injury as and when needed.”

The insurance carrier did not present any information to support that the injured employee or the disputed services were subject to a “benefit maximum.” This denial reason is not supported. The services will therefore be reviewed for reimbursement in accordance with division rules and fee guidelines.

2. This dispute regards physical and occupational therapy services performed in an outpatient facility. These services are not paid under Medicare’s Outpatient Prospective Payment System (OPPS) but Medicare instead applies the Physician Fee Schedule to determine payment. Per DWC’s *Hospital Facility Fee Guideline*, Rule §134.403(h), if Medicare reimburses using other fee schedules, services are paid using DWC guidelines applicable to the code on the date provided. *DWC Medical Fee Guideline for Professional Services*, Rule §134.203(c), requires the maximum allowable reimbursement (MAR) be determined by applying Medicare payment policies modified by DWC rules. The MAR is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the DWC annual conversion factor.

When more than one unit is billed of therapy services designated by multiple-procedure payment indicator ‘5’, Medicare policy requires the first unit of therapy with the highest practice expense for that day be paid in full. Payment is reduced by 50% of the practice expense (PE) for each extra therapy unit provided on that date.

Reimbursement is calculated as follows:

- Procedure code 97012, June 12, 2018, has a Work RVU of 0.25 multiplied by the Work GPCI of 1 is 0.25. The practice expense RVU of 0.16 multiplied by the PE GPCI of 0.938 is 0.15008. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.796 is 0.00796. The sum is 0.40804 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$23.79. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. The PE for this code is not the highest. The PE reduced rate is \$19.42.
- Procedure code 97110, June 12, 2018, has a Work RVU of 0.45 multiplied by the Work GPCI of 1 is 0.45. The practice expense RVU of 0.4 multiplied by the PE GPCI of 0.938 is 0.3752. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 0.84112 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$49.05. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. This code has the highest PE. The first unit is paid at \$49.05. The PE reduced rate is \$38.11 at 2 units is \$76.22. The total is \$125.27.
- Procedure code 97110, June 27, 2018, has a Work RVU of 0.45 multiplied by the Work GPCI of 1 is 0.45. The practice expense RVU of 0.4 multiplied by the PE GPCI of 0.938 is 0.3752. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 0.84112 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$49.05. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. This code has the highest PE. The first unit is paid at \$49.05.

- Procedure code 97140, June 27, 2018, has a Work RVU of 0.43 multiplied by the Work GPCI of 1 is 0.43. The practice expense RVU of 0.35 multiplied by the PE GPCI of 0.938 is 0.3283. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.796 is 0.00796. The sum is 0.76626 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$44.68. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. The PE for this code is not the highest. The PE reduced rate is \$35.11 at 2 units is \$70.22.
- Per Medicare policy, procedure code 97018, June 5, 2018, may not be reported with code 97140 billed on this same claim. Separate payment may be justified if an appropriate modifier is billed. The provider billed the code with modifier 59. The documentation supports Manual Therapy code 97140 was performed for the hip region, whereas Paraffin therapy code 97018 was performed for the wrist and hand. The modifier is supported. Separate payment is allowed. Procedure code 97018 has a Work RVU of 0.06 multiplied by the Work GPCI of 1 is 0.06. The practice expense RVU of 0.18 multiplied by the PE GPCI of 0.938 is 0.16884. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.796 is 0.00796. The sum is 0.2368 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$13.81. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. The PE for this code is not the highest. The PE reduced rate is \$8.89.
- Procedure code 97035, June 5, 2018, has a Work RVU of 0.21 multiplied by the Work GPCI of 1 is 0.21. The practice expense RVU of 0.16 multiplied by the PE GPCI of 0.938 is 0.15008. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.796 is 0.00796. The sum is 0.36804 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$21.46. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. The PE for this code is not the highest. The PE reduced rate is \$17.08.
- Procedure code 97110, June 5, 2018, has a Work RVU of 0.45 multiplied by the Work GPCI of 1 is 0.45. The practice expense RVU of 0.4 multiplied by the PE GPCI of 0.938 is 0.3752. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 0.84112 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$49.05. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. This code has the highest PE. The first unit is paid at \$49.05.
- Procedure code 97140, June 5, 2018, has a Work RVU of 0.43 multiplied by the Work GPCI of 1 is 0.43. The practice expense RVU of 0.35 multiplied by the PE GPCI of 0.938 is 0.3283. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.796 is 0.00796. The sum is 0.76626 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$44.68. For each extra therapy unit after the first unit of the code with the highest PE, payment is reduced by 50% of the practice expense. The PE for this code is not the highest. The PE reduced rate is \$35.11.

The total allowable reimbursement for the disputed services is \$374.09. The insurance carrier paid \$365.24. The amount due is \$8.85. This amount 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 \$8.85.

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 \$8.85, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

Signature

Grayson Richardson
Medical Fee Dispute Resolution Officer

March 15, 2019
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 DWC045M) 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 other 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.