



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

Baptist Emergency Hospital

Respondent Name

Texas Mutual Insurance

MFDR Tracking Number

M4-19-3268-01

Carrier's Austin Representative

Box Number 54

MFDR Date Received

February 25, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Please review the information below as the insured, considered a "prudent layperson", and determined the illness and/or condition was severe enough to go to the nearest emergency room."

Amount in Dispute: \$1,815.48

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "In order to resolve this fee reimbursement dispute Texas Mutual Insurance Company has elected to pay the disputed services."

Response Submitted by: Texas Mutual

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
September 18, 2018 October 5, 2018	Outpatient Hospital Services	\$1,815.48	\$250.50

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 reimbursement guidelines for outpatient hospital services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 899 – Documentation and file review does not support an emergency in accordance with Rule 133.2
 - 920 – Reimbursement is being allowed based upon a dispute

Issues

1. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement in the amount of \$1,815.48 for outpatient hospital services rendered in September and October 2018. The insurance carrier originally denied the service as "definition of emergency not met." However, upon reconsideration this denial was not upheld and payments were issued. The fee calculation is shown below.

28 TAC §134.403, (f) states,

The reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the *Federal Register*. The following minimal modifications shall be applied.

- (1) The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by:
 - (A) 200 percent; unless
 - (B) a facility or surgical implant provider requests separate reimbursement in accordance with subsection (g) of this section, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 130 percent.

Neither date of service in dispute contained implants. The maximum allowable reimbursement per the above is calculated as follows:

- Date of service October 5, 2018. Procedure code J1170 has status indicator N. Reimbursement is included with payment for the primary services.
- Date of service October 5, 2018. Procedure code 96372 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for Procedure code 99284 below.
- Date of service October 5, 2018. Procedure code 99284 has status indicator of V as the criteria for outpatient comprehensive observations (J2) is not met. The APC is 5024. The OPPS Addendum A rate is \$355.53, multiplied by 60% for an unadjusted labor amount of \$213.32, in turn multiplied by the facility wage index of 0.8538 for an adjusted labor amount of \$182.13. The non-labor portion is 40% of the APC rate, or \$142.21. The sum of the labor and non-labor portions is \$324.34. The Medicare facility specific amount of \$324.34 is multiplied by 200% for a MAR of \$648.68.
- Date of service September 18, 2018. Procedure code J1100 has status indicator N. Reimbursement is included with payment for the primary services.
- Date of service September 18, 2018. Procedure code J1170 has status indicator N. Reimbursement is included with payment for the primary services.
- Date of service September 18, 2018. Procedure code J2405 has status indicator N. Reimbursement is included with payment for the primary services.
- Date of service September 18, 2018. 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 0.857 for an adjusted labor amount of \$19.04. The non-labor portion is 40% of the APC rate, or \$14.81. The sum of the labor and non-labor portions is \$33.85. The Medicare facility specific amount of \$33.85 is multiplied by 200% for a MAR of \$67.70.
- Date of service September 18, 2018. 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 0.857 for an adjusted labor amount of \$98.26. The non-labor portion is 40% of the APC rate, or \$76.44. The sum of the labor and non-labor portions is \$174.70. The Medicare facility specific amount of \$174.70 is multiplied by 200% for a MAR of \$349.40.

- Date of service September 18, 2018. 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 0.857 for an adjusted labor amount of \$19.04. The non-labor portion is 40% of the APC rate, or \$14.81. The sum of the labor and non-labor portions is \$33.85 multiplied by 2 units is \$67.70. The Medicare facility specific amount of \$67.70 is multiplied by 200% for a MAR of \$135.40.
- Date of service September 18, 2018. Procedure code 96376 has status indicator N. Reimbursement is included with payment for the primary services.
- Date of service September 18, 2018. Procedure code A4215 has status indicator N. Reimbursement is included with payment for the primary services.
- Date of service September 18, 2018. has status indicator of V as the criteria for outpatient comprehensive observations (J2) is not met. The APC is 5024. The OPPS Addendum A rate is \$355.53, multiplied by 60% for an unadjusted labor amount of \$213.32, in turn multiplied by the facility wage index of 0.8538 for an adjusted labor amount of \$182.13. The non-labor portion is 40% of the APC rate, or \$142.21. The sum of the labor and non-labor portions is \$324.34. The Medicare facility specific amount of \$325.03 is multiplied by 200% for a MAR of \$650.06.

2. The total recommended reimbursement for the disputed services is \$1,851.24. The insurance carrier paid \$1,600.74. The remaining balance of \$250.50 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 \$250.50.

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 \$250.50, 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

April 24, 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, 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.