



# 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

TEXAS HEALTH OF PLANO

Respondent Name

TEXAS MUTUAL INSURANCE COMPANY

MFDR Tracking Number

M4-19-3473-01

Carrier's Austin Representative

Box Number 54

MFDR Date Received

March 19, 2019

#### REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Underpaid/Denied Physical Therapy Rate."

Amount in Dispute: \$86.69

#### RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Texas Mutual paid the fee schedule amount for the physical therapy based on the direction given by Addendum B and Rule 134.203."

Response Submitted by: Texas Mutual Insurance Company

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Dispute Amount	Amount Due
December 7, 2018 to December 27, 2018	Outpatient Occupational Therapy	\$86.69	\$0.00

#### 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.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
  - 236 – THIS BILLING CODE IS NOT COMPATIBLE WITH ANOTHER BILLING CODE PROVIDED ON THE SAME DAY ACCORDING TO NCCI OR WORKERS COMPENSATION STATE REGULATIONS/ FEE SCHEDULE REQUIREMENTS.
  - 246 – THIS NON-PAYABLE CODE IS FOR REQUIRED REPORTING ONLY.
  - 356 – THIS OUTPATIENT ALLOWANCE WAS BASED ON THE MEDICARE'S METHODOLOGY (PART B) PLUS THE TEXAS MARKUP.
  - 435 – PER NCCI EDITS, THE VALUE OF THIS PROCEDURE IS INCLUDED IN THE VALUE OF THE COMPREHENSIVE PROCEDURE.
  - 650 – ALLOWANCE IS REDUCED PER THE MULTIPLE PROCEDURE PAYMENT REDUCTION FOR SELECTED THERAPY SERVICES.
  - 652 – THIS PROCEDURE CODE IS USED FOR REPORTING PURPOSES ONLY. NO PAYMENT IS DUE.
  - 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.

- 350 – IN ACCORDANCE WITH TDI-DWC RULE 134.804, THIS BILL HAS BEEN IDENTIFIED AS A REQUEST FOR RECONSIDERATION OR APPEAL.
- 891 – NO ADDITIONAL PAYMENT AFTER RECONSIDERATION

### Issues

Is the requestor entitled to additional reimbursement?

### Findings

This dispute regards outpatient occupational therapy services not paid under Medicare's Outpatient Prospective Payment System but using Medicare's Physician Fee Schedule. *DWC Hospital Fee Guideline* Rule §134.403(h) requires use of the fee guideline applicable to the code on the date provided if Medicare reimburses using other fee schedules. *DWC Professional Fee Guideline* 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 a DWC 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 97760 (December 7, 2018) has a Work RVU of 0.5 multiplied by the Work GPCI of 1 is 0.5. The practice expense RVU of 0.81 multiplied by the PE GPCI of 0.938 is 0.75978. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 1.2757 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$74.39. For each extra therapy unit after the first unit of the code with the highest PE for that date, payment is reduced by 50% of the practice expense. The PE for this code is not the highest. The PE reduced rate is \$52.23 at 2 units is \$104.46.
- Procedure codes G8987 and G8988 (December 7, 2018) are functional information codes used for reporting purposes only. No separate payment is made.
- Procedure code 97165 (December 7, 2018) has a Work RVU of 1.2 multiplied by the Work GPCI of 1 is 1.2. The practice expense RVU of 1.32 multiplied by the PE GPCI of 0.938 is 1.23816. The malpractice RVU of 0.05 multiplied by the malpractice GPCI of 0.796 is 0.0398. The sum is 2.47796 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$144.49. This code has the highest PE. The first unit is paid at \$144.49.
- Per Medicare policy regarding Correct Coding Initiative (CCI) edits, procedure code 97110 (December 18, 2018) may not be reported with code 97763 billed on this same date.
- Procedure code 97763 (December 18, 2018) has a Work RVU of 0.48 multiplied by the Work GPCI of 1 is 0.48. The practice expense RVU of 0.87 multiplied by the PE GPCI of 0.938 is 0.81606. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 1.31198 multiplied by the DWC conversion factor of \$58.31 for a MAR of \$76.50. This code has the highest PE. The first unit is paid at \$76.50. 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 reduced rate is \$52.71. The total for 2 units is \$129.21.
- Procedure code 97110 (December 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. The PE reduced rate is \$38.11 at 2 units is \$76.22. The total is \$125.27.

The total allowable reimbursement for the disputed services is \$503.43. The insurance carrier paid \$503.45. The amount due is \$0.00. No additional payment is 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>April 12, 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 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.