



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

AMENDED MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Elite Healthcare South Dallas

Respondent Name

Arch Insurance Co

MFDR Tracking Number

M4-19-3478-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

March 19, 2019

Response Submitted by:

Gallagher Bassett Services, Inc

REQUESTOR'S POSITION SUMMARY

"This patient had preauthorization, and per Rule 134.600, the carrier shall not withdraw preauthorization once issued. Preauthorization does not specify the amount of units allowed."

RESPONDENT'S POSITION SUMMARY

"The therapy service and the office visit will remain denied."

SUMMARY OF FINDINGS

Date of Service	Disputed Services	Amount in Dispute	Amount Ordered
June 25, 2018	99213, 97110, 97112, 97140	\$534.53	\$142.99

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

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 39 – Service denied at the tie authorization/pre-certification was requested
 - 18 – Exact duplicate claim/service

Issues

1. What payment rules apply to the services in dispute?
2. What is the total allowable reimbursement for disputed physical therapy?
3. Is the insurance carrier's position supported?
4. Is the requestor entitled to additional reimbursement?

Findings

Elite Healthcare South Dallas is seeking additional reimbursement for professional medical services rendered on June 25, 2018. The insurance company made a payment of \$309.65 upon reconsideration. The requestor asked to continue with MFDR.

1. The fee guideline for the professional services in dispute is found at 28 TAC 134.203. Rule §134.203 paragraph (a)(7) also states that Medicare payment policies apply to professional services.

Payment reductions by the carrier based upon multiple procedure rules complies with this requirement. The *Centers for Medicare and Medicaid Claims Processing Manual 100-04, Chapter 5 titled Part B Outpatient Rehabilitation and CORF/OPT Services* applies and sets the policies applicable to physical therapy services.

Review of the Medicare policies finds that the multiple procedure payment reduction (MPPR) applies to the Practice Expense (PE) of certain time-based physical therapy codes when more than one unit or procedure is provided to the same patient on the same day. Medicare publishes a list of the codes subject to MPPR annually.

For 2018 the codes subject to MPPR are found in the *CY 2018 PFS Final Rule Multiple Procedure Payment Reduction Files*. Review of that list find that code 97110, 97112, and 97140 are subject to MPPR policy.

The division concludes that the MPPR policy applies to the services in dispute.

2. Applicable 28 TAC 134.203(h) states that the total reimbursement is the lesser of the maximum allowable reimbursement (MAR) and the billed amount.

The MPPR policy states that:

- Full payment is made for the unit or procedure with the highest Practice Expense (PE) payment factor; and
- For subsequent units the Practice Expense (PE) payment factor is reduced by 50 percent.

Review of the June 25, 2018 medical bill provided indicates that three procedures were billed by the health care provider. In order to determine whether the MPPR applies to the service in dispute, the DWC must rank all the services provided by their PE payment factor.

Here is a chart ranking the PE payment for each of the codes billed by the health care provider on June 25, 2018.

CODE	PRACTICE EXPENSE	Medicare Policy
97110	0.4	MPPR applies
97112	0.47	Highest rank, no MPPR
97140	0.35	MPPR applies

As shown above, code 97112 has the highest PE payment among the services billed by the provider that day, therefore the reduced PE payment applies to all other services.

The MPPR Rate File that contains the payments for 2018 services is found at <https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

- MPPR rates are published by carrier and locality.
- The services were provided in Dallas.
- The carrier code for Texas is 4412 and the locality code for Dallas is 11.

The following formula represents the calculation of the DWC MAR at §134.203 (c)(1) & (2).

$$(\text{DWC Conversion Factor} \div \text{Medicare Conversion Factor}) \times \text{Medicare Payment} = \text{MAR}$$

The table below illustrates the calculation of the total allowable reimbursement for the four units of 97110 in dispute.

Date of Service	Code	Units	Medicare Payment	Maximum Allowable Reimbursement (MAR) §134.203 (c)(1) & (2)	Billed Amount From medical bill	Reimbursement §134.203 (h) Lesser of MAR and billed amount
June 25, 2019	97110	4	\$24.25 ¹	\$39.28 x 4 = \$157.11	\$204.40	\$157.11
June 25, 2019	97112	2	\$35.93 1 st units \$27.35 2 nd unit	\$58.20 + \$44.30 = \$102.50	\$116.40	\$102.50
June 25, 2019	97140	2	\$22.33 ¹	\$36.17 x 2 = \$72.34	\$93.04	\$72.34
¹ MPPR reduced payment					Total Allowable Reimbursement	\$331.95

The total allowable DWC fee guideline reimbursement amount physical therapy is \$331.95. The allowable of the office visit is calculated as DWC Conversion Factor/Medicare Conversion Factor x Medicare allowable or 58.31/35.9996 x \$74.51= \$120.69.

- The insurance company stated in their response, "CPT 99213 has been denied: Non Certification determination based on UR outcome. Clinical Validation: CPT 97140 has been denied." 28 TAC §133.307 (d) (2) (F) states,

The response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in the review.

Review of the submitted documentation found insufficient evidence to support these denials were presented to the requestor prior to MFDR. These denials will not be considered in this review.

- Application of the MPPR and the applicable DWC fee guideline rule result in a total reimbursement amount of \$452.64 for the services in dispute. The carrier paid \$309.54. Additional reimbursement in the amount of \$142.99 is due.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement in the amount of \$142.99 due.

ORDER

Based on the submitted information the division has determined the requestor is entitled to additional reimbursement. The division hereby ORDERS the insurance company to remit to the requestor \$142.99 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

August 9, 2019
Date

RIGHT TO APPEAL

Either party to this medical fee dispute may seek review of this division decision. To appeal, submit form division Form-045M titled ***Request to Schedule, Reschedule, or Cancel a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (BRC-MFD)*** found at <https://www.tdi.texas.gov/forms/form20numeric.html>. Follow the instructions on pages 3 and 4. The request must be received by the division within twenty days of your receipt of this decision. This decision becomes final if the request for review of this decision is not timely made. 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.

If you have questions about the division Form-045M, please call CompConnection at 1-800-252-7031, Option 3 or you may email your question to CompConnection@tdi.texas.gov

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a CompConnection 1-800-252-7031 opción 3, o correo electrónico a CompConnection@tdi.texas.gov