



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

WILLIAM D. STRINDEN, MD

Respondent Name

PHOENIX INSURANCE CO

MFDR Tracking Number

M4-19-3845-01

Carrier's Austin Representative

Box Number 05

MFDR Date Received

APRIL 19, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "CPT code 15004 is **NOT** subject to multiple surgery reductions according to Medicare and I have attached a chart showing the table of descriptions and value of 0."

Amount in Dispute: \$270.42

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Carrier has reviewed the documentation and determined the Provider was properly reimbursed under the multiple procedure rules. As such, reimbursement was issued in accordance with the Maximum Allowable Reimbursement as determined under the Division's fee schedule. "

Response Submitted by: Travelers

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
February 7, 2019	CPT Code 15050	\$0.00	\$0.00
	CPT Code 15004	\$270.42	\$270.42
TOTAL		\$270.42	\$270.42

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

- 28 Texas Administrative Code §133.307, effective May 31, 2012, sets out the procedures for resolving a

medical fee dispute.

2. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets the reimbursement guidelines for the disputed service.
3. The services in dispute were reduced/denied by the respondent with the following claim adjustment reason codes:
 - P12-Workers' compensation jurisdictional fee schedule adjustment.
 - 59-Charges are adjusted based on multiple surgery rules or concurrent anesthesia rules.
 - 4063-Reimbursement is based on the physician fee schedule when a professional service was performed in the facility setting.
 - 78-The allowance for this procedure was adjusted in accordance with multiple surgical procedure rules and/or guidelines.
 - 193-Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
 - W3-Additional payment made on appeal/reconsideration.

Issues

Is the requestor entitled to additional reimbursement for CPT 15004?

Findings

1. The fee guideline for Professional Care services is found in 28 Texas Administrative Code §134.203.
2. The issue in dispute is whether the requestor is due additional reimbursement of \$270.42 for CPT code 15004.

According to the explanation of benefits, the respondent paid \$274.82 for code 15004 based upon reason codes "P12-Workers' compensation jurisdictional fee schedule adjustment," and "59-Charges are adjusted based on multiple surgery rules or concurrent anesthesia rules," and "78-The allowance for this procedure was adjusted in accordance with multiple surgical procedure rules and/or guidelines."

On the disputed date of service, the requestor billed CPT codes 15050 and 15004.

28 Texas Administrative Code §134.203(b) states "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers..."

28 Texas Administrative Code §134.203(b)(1) "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."

CPT code 15004 is described as "Surgical preparation or creation of recipient site by excision of open wounds, burn eschar, or scar (including subcutaneous tissues), or incisional release of scar contracture, face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet and/or multiple digits; first 100 sq cm or 1% of body area of infants and children."

3. Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR).

The 2019 DWC conversion factor for this service is 74.29

The 2019 Medicare Conversion Factor is 36.0391

Review of Box 32 on the CMS-1500 the services were rendered in Lufkin, Texas; therefore, the locality will be based on "Rest of Texas".

The Medicare participating amount for code 15004 is \$266.68.

Using the above formula, the MAR is \$549.73. The respondent paid \$274.87. The difference between MAR and amount paid is \$274.86. The requestor is seeking a lesser amount of \$270.42; this amount is recommended for additional reimbursement.

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 \$270.42.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$270.42 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

5/22/2019
Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 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 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.