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 Fort Worth

Respondent Name
Liberty Mutual Fire Insurance Co

MFDR Tracking Number
M4-19-3960-01

Carrier's Austin Representative
Box Number 1

MFDR Date Received
April 26, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Per Rule 134.403 section E all HCPC's that are paid per the fee schedule should pay per the APC allowable at 200% regardless of the billed ."

Amount in Dispute: $645.45

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Attached is a copy of the pricing determination from the APC Grouper pricing tool which confirms that our reimbursement is appropriate."

Response Submitted by: Liberty Mutual

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
July 23, 2018	Outpatient Hospital Services	$645.45	$345.44

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 §134.403 sets out the reimbursement guidelines for outpatient hospital services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 4915 – the charge for the services represented by the revenue code are included /bundled into the total facility payment and do not warrant a separate payment or the payment status indicator indicates the service is packaged or excluded from payment

Issues

1. What is the applicable rule for determining reimbursement for the disputed services?
2. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement in the amount of $645.45 for outpatient hospital services rendered on July 23, 2018. The insurance carrier reduced disputed services claiming the services were bundled into the facility payment.

   28 Texas Administrative Code §134.403 (d) states in pertinent part,

   > For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided

   The Medicare payment policy applicable to the services in dispute is found at www.cms.gov, Claims processing Manual, Chapter 4, Section 10.1.1 - Payment Status Indicators

   > *An OPPS payment status indicator is assigned to every HCPCS code. The status indicator identifies whether the service described by the HCPCS code is paid under the OPPS and if so, whether payment is made separately or packaged. The status indicator may also provide additional information about how the code is paid under the OPPS or under another payment system or fee schedule.*

   Review of the status indicator of the codes in dispute find the following:

   - Code 72070 has a status indicator of Q1
   - Code 72100 has a status indicator of Q1
   - Code 73100 has a status indicator of Q1

   The definition of Q1 is "STV-Packaged Codes, Pad under OPPS; Addendum B displays APC assignments when services are separately payable. (1) Packaged APC payment if billed on the same claim as a HCPCS code assigned status indicator "S", "T", or "V" (2) Composite APC payment if billed with specific combinations of services based on OPPS composite-specific payment criteria. (3) In other circumstances, payment is made through a separate APC payment."

   Review of the submitted medical bill found these are the only codes submitted for reimbursement. Based on the above these codes are separately payable. The insurance carrier's reduction based on bundling is not supported.

2. Reimbursement of the services in dispute is found in 28 TAC §134.403, (f) which 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.

   The maximum allowable reimbursement per the above is calculated as follows:

   - Procedure code 72070. The OPPS Addendum A rate is $114.46, multiplied by 60% for an unadjusted labor amount of $68.68, in turn multiplied by the facility wage index of 0.9636 for an adjusted labor

amount of $66.18. The non-labor portion is 40% of the APC rate, or $45.78. The sum of the labor and non-labor portions is $111.96. The Medicare facility specific amount of $111.96 is multiplied by 200% for a MAR of $223.92.

- Procedure code 72100. This code is assigned APC 5522. The OPPS Addendum A rate is $114.46, multiplied by 60% for an unadjusted labor amount of $68.68, in turn multiplied by the facility wage index of 0.9636 for an adjusted labor amount of $66.18. The non-labor portion is 40% of the APC rate, or $45.78. The sum of the labor and non-labor portions is $111.96. The Medicare facility specific amount of $111.96 is multiplied by 200% for a MAR of $223.92.
- Procedure code 73110 This code is assigned APC 5521. The OPPS Addendum A rate is $62.12, multiplied by 60% for an unadjusted labor amount of $37.27, in turn multiplied by the facility wage index of 0.9636 for an adjusted labor amount of $35.91. The non-labor portion is 40% of the APC rate, or $24.85. The sum of the labor and non-labor portions is $60.76. The Medicare facility specific amount of $60.76 is multiplied by 200% for a MAR of $121.52.

3. The total recommended reimbursement for the disputed services is $569.36. The insurance carrier paid $223.92. The amount due is $345.44. 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 $345.44.

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 $345.44, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

		June 28, 2019
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, 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.