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
UT Health Quitman

Respondent Name
Federated Mutual Insurance Co

MFDR Tracking Number
M4-19-4135-01

Carrier's Austin Representative
Box Number 1

MFDR Date Received
May 14, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "This bill has been underpaid according to our fee schedule calculations."

Amount in Dispute: $1,007.50

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The carrier contends that it has properly audited and paid the invoice in question per the attached original and reconsideration EORs."

Response Submitted by: Parker & Associates, LLC

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
February 8, 2019	Outpatient Hospital Services	$1,007.50	$0.00

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:
   - 236 – This procedure or procedure/modifier combination is not compatible with another procedure or procedure/modifier combination provided on the same day according to the National Correct Coding Initiative or workers compensation state regulations/fee schedule requirements
   - 97 – the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated
   - P12 – Workers' compensation jurisdictional fee schedule adjustment

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 $1,007.50 for outpatient hospital services rendered on February 8,2019. The insurance carrier reduced disputed services based on the workers compensation jurisdictional fee schedule.

   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.*

   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.

Review of the submitted medical bill found implants are not applicable. The maximum allowable reimbursement per the above is calculated as follows:

- Procedure code 36415 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 80053 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 80307 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 82150 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 83690 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 85025 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.

- Procedure code 85610 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 85730 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 81000 has status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure code 73060 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.
- Procedure code 73090 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.
- Procedure code 73560 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.
- Procedure code 72125 has status indicator Q3, for packaged codes paid through a composite APC (if OPPS criteria are met). This code is assigned to composite APC 8006. The payment for composite services is calculated below.
- Procedure code 74177 has status indicator Q3, for packaged codes paid through a composite APC (if OPPS criteria are met). This code is assigned to composite APC 8006. The payment for composite services is calculated below.
- Procedure code 70450 has status indicator Q3, for packaged codes paid through a composite APC (if OPPS criteria are met). This code is assigned to composite APC 8006. The payment for composite services is calculated below.
- Procedure code 71260 has status indicator Q3, for packaged codes paid through a composite APC (if OPPS criteria are met). This code is assigned to composite APC 8006. The payment for composite services is calculated below.
- Procedure code 29105 has status indicator T, for procedures subject to multiple-procedure reduction. The highest paying status T unit is paid at 100%; all others at 50%. This code is paid at 100%. This code is assigned APC 5101. The OPPS Addendum A rate is $134.62, multiplied by 60% for an unadjusted labor amount of $80.77, in turn multiplied by the facility wage index of 0.8244 for an adjusted labor amount of $66.59. The non-labor portion is 40% of the APC rate, or $53.85. The sum of the labor and non-labor portions is $120.44. The Medicare facility specific amount of $120.44 is multiplied by 200% for a MAR of $240.88.
- Procedure code 90471 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.
- 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 $37.88, multiplied by 60% for an unadjusted labor amount of $22.73, in turn multiplied by the facility wage index of 0.8244 for an adjusted labor amount of $18.74. The non-labor portion is 40% of the APC rate, or $15.15. The sum of the labor and non-labor portions is $33.89 multiplied by 2 units is $67.78. The Medicare facility specific amount of $67.78 is multiplied by 200% for a MAR of $135.56.
- 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 $187.18, multiplied by 60% for an unadjusted labor amount of $112.31, in turn multiplied by the facility wage index of 0.8244 for an adjusted labor amount of $92.59. The non-labor portion is 40% of the APC rate, or $74.87. The sum of the labor and non-labor portions is $167.46. The Medicare facility specific amount of $167.46 is multiplied by 200% for a MAR of $334.92.
- 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 $37.88, multiplied by 60% for an unadjusted labor amount of

$22.73, in turn multiplied by the facility wage index of 0.8244 for an adjusted labor amount of $18.74. The non-labor portion is 40% of the APC rate, or $15.15. The sum of the labor and non-labor portions is $33.89 multiplied by 4 units is $135.56. The Medicare facility specific amount of $135.56 is multiplied by 200% for a MAR of $271.12.

- Procedure code 99285 would have a status indicator J2, and subject to comprehensive packaging if 8 or more hours observation billed. Review of the medical bill finds the review of the criteria for comprehensive packaging was not met as no observation hours were provided. This code is assigned APC 5025. The OPPS Addendum A rate is $525.30, multiplied by 60% for an unadjusted labor amount of $315.18, in turn multiplied by the facility wage index of 0.8244 for an adjusted labor amount of $259.83. The non-labor portion is 40% of the APC rate, or $210.12. The sum of the labor and non-labor portions is $469.95. The Medicare facility specific amount of $469.95 is multiplied by 200% for a MAR of $939.90.
- Procedure codes 72125, 74177, 70450, and 71260 have status indicator Q3, for packaged codes paid through a composite APC. These services are assigned composite APC 8006, for computed tomography (CT) services including contrast. This line is assigned status indicator S, for procedures not subject to reduction. The OPPS Addendum A rate is $480.77, multiplied by 60% for an unadjusted labor amount of $288.46, in turn multiplied by the facility wage index of 0.8244 for an adjusted labor amount of $237.81. The non-labor portion is 40% of the APC rate, or $192.31. The sum of the labor and non-labor portions is $430.12. The Medicare facility specific amount of $430.12 is multiplied by 200% for a MAR of $860.24.

2. The total recommended reimbursement for the disputed services is $2,782.62. The insurance carrier paid $3,061.03. Additional payment is not 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

		June 6, 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.