



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

Doctors Hospital at Renaissance

Respondent Name

Texas Cotton Ginners Trust

MFDR Tracking Number

M4-19-4570-01

Carrier's Austin Representative

Box Number 47

MFDR Date Received

June 20, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "According to TWCC guidelines, Rule §134.403 states that the reimbursement calculation used for establishing the MAR shall be by applying the Medicare facility specific amount."

Amount in Dispute: \$1,158.96

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "After review of the medial Dispute Resolution, York stands on the original audit results."

Response Submitted by: York

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: December 4 - 28, 2018, Outpatient Therapy Services, \$1,158.96, \$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. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment

codes:

- P12 – Workers’ compensation jurisdictional fee schedule adjustment
- 198 – Payment denied/reduced for exceeded precertification/authorization
- 59 – Processed based on multiple procedure rules

Issues

1. Is the carrier’s reduction of payment supported?
2. What rule is applicable to reimbursement?
3. How is the MAR calculated?
4. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement for outpatient therapy services performed from December 4 – 28, 2018. The carrier reduced the allowed amount based on multiple procedure rules and workers’ compensation jurisdictional fee schedule. The calculation of the division fee guideline is discussed below.

The insurance carrier denied Code 97035 as “Exceeded precertification/authorization.” Review of the December 11, 2018, Utilization Review, code 97035 was not listed authorized codes. The insurance carriers’ denial for Code 97035 is supported. No payment is recommended.

2. The applicable Division Rule is found in 28 Texas Administrative Code 134.403. The applicable sections are listed below:

(f) 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.

(h) For medical services provided in an outpatient acute care hospital, but not addressed in the Medicare payment policies as outlined in subsections (f)(1) or (f)(2) of this section, and for which Medicare reimburses using other Medicare fee schedules, reimbursement shall be made using the applicable Division Fee Guideline in effect for that service on the date the service was provided.

The OPPS reimbursement formula factors are found at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/Addendum-A-and-Addendum-B-Updates.html>. The specific factor is the Status Indicators. The status indicator for each of the HCPCS code listed on the DWC060 have an “A” status indicator which is defined as, “Not paid under OPPS. Paid by MACs under a fee schedule or payment system other than OPPS.”

Based on the requirements of 28 Texas Administrative Code §134.403 (h) the applicable Division fee guideline is found in 28 Texas Administrative Code §134.203.

Compliance with 28 Texas Administrative Code 134.403 (d) requires application of the Medicare Multiple Procedure Payment Reduction (MPPR) implemented April 1, 2013. The MPPR policy may be found in the CMS Claims Processing Manual 100-04, Chapter 5, section 10.7 found at www.cms.gov. The MPPR policy was used in the calculation of the maximum allowable reimbursement shown below.

3. 28 TAC 134.203 (b) (1) states in pertinent part,

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;

The Medicare payment policy regarding multiple procedure payment reduction is found in the Centers for Medicare and Medicaid Claims Processing Manual, Chapter 5, which states in applicable section 10.7

Medicare applies an MPPR to the PE payment when more than one unit or procedure is provided to the same patient on the same day, i.e., the MPPR applies to multiple units as well as multiple procedures. Many therapy services are time-based codes, i.e., multiple units may be billed for a single procedure. The MPPR applies to all therapy services furnished to a patient on the same day, regardless of whether the services are provided in one therapy discipline or multiple disciplines, for example, physical therapy, occupational therapy, or speech-language pathology.

Full payment is made for the unit or procedure with the highest PE payment.

For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, **full payment is made for work and malpractice and 50 percent payment is made for the PE for services** submitted on either professional or institutional claims.

The health care provider on each date of service in dispute billed for one or two units of CPT code 97110, one, two or three units of CPT code 97140. Code 97035 was not authorized and will not be considered in calculation. Code 97165 was the only service provided on date of service December 4, 2018 and will be calculated based on the fee guideline.

Per the above Medicare payment policy, “full payment is made for the unit or procedure with the highest PE payment.” For the disputed services CPT code 97110 has the highest PE payment for each date of service in dispute, so the first unit of 97110 should be paid at the full amount. Reimbursement of the services other than the first unit of 97110 will have the multiple procedure payment reduction applied. Calculation of all services provided on each date will be calculated to appropriately apply the MPPR reduction.

4. 28 Texas Administrative Code 134.203 (c) states in pertinent part,

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 (date of service yearly conversion factor).

The services in dispute were provided in Edinburg, Texas in December of 2018. The formula for reimbursement is the Division of Workers Compensation Conversion Factor for 2018 divided by the Medicare Conversion Factor for 2018 multiple by the Medicare Fee amount. The Medicare Multiple Procedure Payment Reduction file is found at:

<https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>

For CPT codes 97110, 97140 and 97165 provided in Edinburg Texas in 2018 the Medicare fee amounts are shown below.

CODE	SHORT DESCRIPTOR	FEE AMOUNT	50% REDUCTION	PRACTICE EXPENSE RVUs
97165	OT Eval low complexity	\$89.21	\$66.92	1.32
97110	Therapeutic Exercises	\$30.28	\$23.53	0.4
07140	Manual therapy	\$27.59	\$21.68	0.35

For each of the below dates of service the reimbursement for the first unit of 97110 is DWC Conversion Factor 58.31 divided by the Medicare Conversion Factor 35.9996 multiple by \$30.28 = \$49.05

For each of the below dates of service additional units of 97110 are reimbursable at DWC Conversion Factor 58.31 divided by the Medicare Conversion Factor 35.9996 multiplied by the reduced amount of \$23.53 = \$38.11

For each of the below dates of service units of 97140 are reimbursable at DWC Conversion Factor 58.31 divided by the Medicare Conversion Factor 35.9996 multiplied by the reduced amount of \$21.68 = \$35.12

The Maximum Allowable Reimbursement (MAR) for dates of service December 4 – 28, 2018 is shown below

Date of service	Submitted Code	Units	MAR per unit	Total MAR
December 17, 2018	97140	1	\$35.12	\$35.12
December 20, 2018	97140	1	\$35.12	\$35.12
December 21, 2018	97140	1	\$35.12	\$35.12
December 17, 2018	97140	2	\$35.12 x 2 = \$70.23	\$70.23
December 17, 2018	97110	2	\$49.05 1 st unit \$38.11 2 nd unit	\$87.16
December 20, 2018	97140	1	\$35.12	\$35.12
December 20, 2018	97110	2	\$35.12 x 2 = \$70.23	\$70.23
December 21, 2018	97140	2	\$35.12 x 2 = \$70.23	\$70.23
December 21, 2018	97110	2	\$49.05 1 st unit \$38.11 2 nd unit	\$87.16
December 26, 2018	97140	2	\$35.12 x 2 = \$70.23	\$70.23
December 26, 2018	97110	2	\$49.05 1 st unit \$38.11 2 nd unit	\$87.16
December 27, 2018	97140	3	\$21.68 x 3 = \$105.35	\$105.35
December 27, 2018	97110	1	\$49.05	\$49.05
December 28, 2018	97140	2	\$35.12 x 2 = \$70.23	\$70.23
December 28, 2018	97110	2	\$35.12 x 2 = \$70.23	\$70.23
December 4, 2018	97165	1	\$144.50	\$144.50
		Total		\$1,122.24

The total allowable reimbursement for the services in dispute is \$1,122.24. The carrier paid \$1,150.88. 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

		July 12, 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.