



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

TEXAS HEALTH OF PLANO

Respondent Name

GREAT DIVIDE INSURANCE COMPANY

MFDR Tracking Number

M4-19-4639-01

Carrier's Austin Representative

Box Number 47

MFDR Date Received

June 24, 2019

Response Submitted By

Berkley Entertainment

REQUESTOR'S POSITION SUMMARY

"Underpaid/Denied Physical Therapy Rate."

RESPONDENT'S POSITION SUMMARY

"Please see enclosed copies of Medical Fee Dispute Resolution Request, Re-Eval EOR, and TX FS State Review on PT services."

SUMMARY OF DISPUTE

Dates of Service	Disputed Services	Dispute Amount	Amount Due
March 21, 2019 to March 29, 2019	Outpatient Physical Therapy	\$256.14	\$0.00

AUTHORITY

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.403 sets out the hospital facility fee guideline for outpatient services.
- 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 356 - THIS OUTPATIENT ALLOWANCE WAS BASED ON THE MEDICARE'S METHODOLOGY (PART B) PLUS THE TEXAS MARKUP.
 - 650 - ALLOWANCE IS REDUCED PER THE MULTIPLE PROCEDURE PAYMENT REDUCTION FOR SELECTED THERAPY SERVICES.
 - 423 - CCI EDITS FOR THIS CODE HAVE NOT BEEN APPLIED AT PAYER'S DISCRETION.
 - P12 - WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
 - B22 - THIS PAYMENT IS ADJUSTED BASED ON THE DIAGNOSIS.
 - 350 - BILL HAS BEEN IDENTIFIED AS A REQUEST FOR RECONSIDERATION OR APPEAL.
 - W3 - IN ACCORDANCE WITH TDI-DWC RULE 134.804, THIS BILL HAS BEEN IDENTIFIED AS A REQUEST FOR RECONSIDERATION OR APPEAL.

Issues

Is the requestor entitled to additional reimbursement?

Findings

This dispute regards outpatient physical therapy services not paid under Medicare's Outpatient Prospective Payment System but using Medicare's Physician Fee Schedule. *DWC Hospital Fee Guideline* Rule §134.403(h) requires use of the fee guideline applicable to the code on the date of service if Medicare pays it using other fee schedules. *DWC Professional Fee Guideline* Rule §134.203(c) requires the maximum allowable reimbursement (MAR) be determined by applying Medicare payment policies modified by DWC rules. The MAR is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by a DWC conversion factor.

Medicare's multiple-procedure payment reduction (MPPR) policy requires the first unit of the therapy code with the highest practice expense be paid in full. Payment is reduced by 50% of the practice expense for each extra unit of therapy (codes with multiple-procedure indicator 5) provided on the same date.

The division notes that Medicare's Correct Coding Initiative (CCI) edits policy would normally preclude payment for procedure code 97530 when performed on the same date as 97140 — as it was in the instances listed below. Reimbursement for procedure code 97530 is included in the payment for code 97140. Separate payment for distinct services may be justified when an appropriate modifier is appended to the billing code if the medical records support additional payment; however, the provider did not bill these codes with an appropriate modifier to identify these services as distinct. Nevertheless, the insurance carrier chose to allow separate payment for these charges, using claim adjustment code 423 — "CCI Edits for this code have not been applied at payer's discretion." Accordingly, separate reimbursement for code 97530 has been calculated below.

Reimbursement is calculated as follows:

- Procedure code 97110 (March 21, March 22, March 25, March 26, and March 27, 2019) has a Work RVU of 0.45 multiplied by the Work GPCI of 1 is 0.45. The practice expense RVU of 0.4 multiplied by the PE GPCI of 0.938 is 0.3752. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 0.84112 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$49.79. The PE for this code is not the highest; payment is reduced by 50% of the practice expense. The PE reduced rate is \$38.68. The total for 5 visits is \$193.40.
- Procedure code 97110 (March 28 and March 29, 2019) has a Work RVU of 0.45 multiplied by the Work GPCI of 1 is 0.45. The practice expense RVU of 0.4 multiplied by the PE GPCI of 0.938 is 0.3752. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 0.84112 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$49.79. This code has the highest PE for these 2 dates. The first unit is paid at \$49.79. The total for 2 visits is \$99.58.
- Procedure code 97112 (March 22, 2019) has a Work RVU of 0.5 multiplied by the Work GPCI of 1 is 0.5. The practice expense RVU of 0.47 multiplied by the PE GPCI of 0.938 is 0.44086. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 0.95678 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$56.63. This code has the highest PE for this date. The first unit is paid at \$56.63.
- Procedure code 97112 (March 20, March 21, March 25, March 26, and March 27, 2019) has a Work RVU of 0.5 multiplied by the Work GPCI of 1 is 0.5. The practice expense RVU of 0.47 multiplied by the PE GPCI of 0.938 is 0.44086. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 0.95678 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$56.63. The PE for this code is not the highest; payment is reduced by 50% of the practice expense. The PE reduced rate is \$43.58. The total for 5 visits is \$217.90.
- Procedure code 97140 (March 20, March 21, March 22, March 25, March 26, March 27, March 28, and March 29, 2019) has a Work RVU of 0.43 multiplied by the Work GPCI of 1 is 0.43. The practice expense RVU of 0.35 multiplied by the PE GPCI of 0.938 is 0.3283. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.796 is 0.00796. The sum is 0.76626 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$45.35. The PE for this code is not the highest; payment is reduced by 50% of the practice expense. The PE reduced rate is \$35.64. The total for 8 visits is \$285.12.
- Procedure code 97161 (March 20, 2019) has a Work RVU of 1.2 multiplied by the Work GPCI of 1 is 1.2. The practice expense RVU of 1.15 multiplied by the PE GPCI of 0.938 is 1.0787. The malpractice RVU of 0.05 multiplied by the malpractice GPCI of 0.796 is 0.0398. The sum is 2.3185 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$137.23. This code has the highest PE for this date. The first unit is paid at \$137.23.

- Procedure code 97530 (March 20, 2019) has a Work RVU of 0.44 multiplied by the Work GPCI of 1 is 0.44. The practice expense RVU of 0.67 multiplied by the PE GPCI of 0.938 is 0.62846. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 1.08438 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$64.18. The PE for this code is not the highest for this date; payment is reduced by 50% of the practice expense. The PE reduced rate is \$45.59.
- Procedure code 97530 (March 21, 2019, March 25, March 26, and March 27, 2019) has a Work RVU of 0.44 multiplied by the Work GPCI of 1 is 0.44. The practice expense RVU of 0.67 multiplied by the PE GPCI of 0.938 is 0.62846. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.796 is 0.01592. The sum is 1.08438 multiplied by the DWC conversion factor of \$59.19 for a MAR of \$64.18. This code has the highest PE for these dates. The first unit is paid at \$64.18. The total for 4 visits is \$256.72.

The total allowable reimbursement for the disputed services is \$1,292.17. The insurance carrier paid \$1,292.21. The amount due is \$0.00. No additional payment is recommended.

Conclusion

For the reasons above, the division finds the requestor has not established that additional payment is due. As a result, the amount ordered is \$0.00.

ORDER

In accordance with Texas Labor Code §413.031, based on the information submitted for review, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

Authorized Signature

	Grayson Richardson	July 19, 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. 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 form’s instructions. The division must receive the request within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered either to the division, using the contact information listed on the form, or to the field office handling the claim.

The party seeking review must deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. **Include a copy of this *Medical Fee Dispute Resolution Findings and Decision*** together with any other information required by 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.