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**
Elite Healthcare Fort Worth

**Respondent Name**
Arch Indemnity Insurance Co

**MFDR Tracking Number**
M4-19-4663-01

**Carrier's Austin Representative**
Box Number 19

**MFDR Date Received**
June 25, 2019

## *REQUESTOR'S POSITION SUMMARY*

**Requestor's Position Summary:** "Carrier is not paying according to authorization our facility received regarding this patient."

**Amount in Dispute:** $458.78

## *RESPONDENT'S POSITION SUMMARY*

**Respondent's Position Summary:** "The review of the bill in question has been completed. Additional monies are not due on CPT 99214 or CPT 97113. Additional monies are due on CPT 97112 as the multiple procedure rule was applied in error. An overpayment has occurred as CPT 97140 was allowed at 2 units when it should have been allowed at 1 unit based on the medical note."

**Response Submitted by:** Gallagher Bassett

## *SUMMARY OF FINDINGS*

| Dates of Service | Disputed Services | Amount In Dispute | Amount Due |
|---|---|---|---|
| November 12, 2018 | Physical therapy services | $458.78 | $106.72 |

## *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 §134.203 sets out the reimbursement guidelines for professional medical services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - P12 – Workers compensation jurisdictional fee schedule adjustment
   - 112 – Service not furnished directly to the patient and/or not documented

- 59 – Processed based on multiple or concurrent procedure rules
- 97 – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated

**Issues**

1. Are the insurance carrier's reasons for denial or reduction of payment supported?
2. What is Medicare payment policy?
3. What rule is applicable to reimbursement guidelines?
4. What fee guideline is specific to the office visit?
5. Is the requestor entitled to additional reimbursement?

**Findings**

1. The requestor is seeking additional reimbursement in the amount of $458.78 for physical therapy services rendered November 12, 2018. The carrier denied Code 97113 as 112 – "Service not directly to the patient and/or documented." Review of the submitted medical note found nothing to support the claimant received 97713 – "Therapeutic procedure, 1 or more areas, each 15 minutes; aquatic therapy with therapeutic exercised." The insurance carrier's denial is supported.

   The respondent states, "The 99214 is included in the PT and not separately reimbursed." Code 99214 is defined as "Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 key components: A detailed history; A detailed examination; Medical decision making of moderate complexity. Counseling and/or coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate to high severity. Typically, 25 minutes are spent face-to-face with the patient and/or family." Insufficient evidence was found to support this denial based on a Medicare payment policy or DWC guideline. This denial is not supported.

   The remaining reduction of payment amount based on the workers' compensation fee schedule and multiple procedure payment rules is discussed below.

2. 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 billed for four units of CPT code 97113, two units of CPT code 97112, two units of 97140. Per the above Medicare payment policy, "full payment is made for the unit or procedure with the highest PE payment." For the disputed services that were allowed, CPT code 97112 has the highest PE

payment first unit of 97112 should be paid at the full amount. Reimbursement of the services other than the first unit of 97112 will have the multiple procedure payment reduction applied.

3. The applicable fee guideline is found in 28 Texas Administrative Code §134.203 (c) which 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 Fort Worth, Texas in December 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 97112 and 97140 provided in Fort Worth Texas in 2018 the Medicare fee amounts are shown below.

| CODE | SHORT DESCRIPTOR | FEE AMOUNT | 50% REDUCTION | PRACTICE EXPENSE RVUs |
|---|---|---|---|---|
| 97112 | Neuromuscular reeducation | $35.35 | $27.01 | 0.47 |
| 97140 | Manual therapy | $28.28 | $22.07 | 0.35 |

   For the date of service, the reimbursement for the first unit of 97112 is DWC Conversion Factor 58.31 divided by the Medicare Conversion Factor 35.9996 multiple by $35.35 = $57.26

   The additional unit of 97112 is reimbursable at DWC Conversion Factor 58.31 divided by the Medicare Conversion Factor 35.9996 multiplied by the reduced amount of $27.01 = $43.75

   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 $22.07 = $35.75

   The Maximum Allowable Reimbursement (MAR) for date of service November 12, 2018 in Fort Worth Texas is:

| Date of service | Submitted Code | Units | MAR per unit | Total MAR |
|---|---|---|---|---|
| November 12, 2018 | 97113 | 4 | Not supported by submitted documentation | |
| November 12, 2018 | 97112 | 2 | $57.26 1st unit<br>$43.75 2nd unit | $101.01 |
| November 12, 2018 | 97140 | 2 | $35.75 x 2 = $71.50 | $71.50 |
| | | Total | | $172.51 |

4. The allowable for Code 99214 is found in 28 TAC §134.203 (c) shown above and the calculation is 58.31/35.9996 x $108.18 = $175.22

5. The total allowable reimbursement for the services in dispute is $280.69. The carrier made a total payment of $173.97. The remaining balance of $106.72 is due to the requestor.

**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 $106.72.

## *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 $106.72, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this order.

**Authorized Signature**

| | | |
|---|---|---|
| | | July 25, 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**.