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
SETON MEDICAL CENTER HARKER HEIGHTS

Respondent Name
ACE AMERICAN INSURANCE COMPANY

MFDR Tracking Number
M4-19-4903-01

Carrier's Austin Representative
Box Number 15

MFDR Date Received
July 16, 2019

Response Submitted By
ESIS

REQUESTOR'S POSITION SUMMARY

"Underpaid/Denied Physical Therapy Rate."

RESPONDENT'S POSITION SUMMARY

"ESIS Med Bill Impact will stand on the original recommendation of $642.50… These codes were paid per the Multiple Procedure Rule."

SUMMARY OF DISPUTE

Dates of Service	Disputed Services	Dispute Amount	Amount Due
October 12, 2018 to October 29, 2018	Outpatient Physical Therapy	$75.84	$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 (DWC).

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 hospital facility fee guideline for outpatient services.
3. 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - Charge exceeds Fee Schedule allowance (222)
   - Charge reviewed to multiple procedure ground rules (240)
   - At least 1 percent but less than 20 percent impaired, limited or restricted (593)
   - Therapy functional information code, used for required reporting purposes only. (599)
   - 246 – This non-payable code is for required reporting only.
   - 59 – Processed based on multiple or concurrent procedure rules.
   - P12 – Workers' compensation jurisdictional fee schedule adjustment.
   - P13 - Payment reduced or denied based on workers' compensation jurisdictional regulations or payment policies.
   - A technical Bill Review (ETBR)
   - PHYSICAL THERAPY TX EXCEEDS CAP (ANSIP2)
   - W3 (W3)

Findings

This dispute regards outpatient physical therapy services performed in an outpatient facility setting but which are not paid under Medicare's Outpatient Prospective Payment System but rather using Medicare's Physician Fee Schedule. DWC *Hospital Fee Guideline* 28 Texas Administrative Code §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* 28 TAC §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 DWC's conversion factor.

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

Reimbursement is calculated as follows:

- Procedure code 97110 (October 22, 2018) 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 $58.31 for a MAR of $49.05. The PE for this code is not the highest billed for this date; payment is reduced by 50% of the practice expense. The PE reduced rate is $38.11.
- Procedure code 97140 (October 12, October 15, October 22, October 24, October 26, October 29, and October 31, 2018) 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 $58.31 for a MAR of $44.68. The PE for this code is not the highest billed for these dates; payment is reduced by 50% of the practice expense. The PE reduced rate is $35.11. For 7 visits, the total is $245.77.

The total allowable reimbursement for the services in dispute is $283.88. The insurance carrier paid $283.88. The amount due is $0.00. No additional payment is recommended.

Conclusion

For the reasons above, 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, DWC hereby determines the requestor is entitled to $0.00 additional reimbursement for the services in dispute.

Authorized Signature

	Grayson Richardson	September 13, 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 28 TAC §133.307.

The appealing party must submit a *Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision* (form DWC045M). DWC must receive the request within twenty days of your receipt of this decision.

You may fax, mail or personally deliver the request to either the field office handling the claim or to DWC at the contact information on the form. You must send a copy to all other parties in the dispute at the same time you file the request. Include a **copy** of this **Medical Fee Dispute Decision** along with any other information required by 28 TAC §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.