TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645
(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
TEXAS SPINE AND JOINT HOSPITAL

Respondent Name
BERKLEY NATIONAL INSURANCE COMPANY

MFDR Tracking Number
M4-19-4910-01

Carrier's Austin Representative
Box Number 19

MFDR Date Received
July 18, 2019

Response Submitted By
Flahive, Odgen & Latson, Attorneys at Law, PC

REQUESTOR'S POSITION SUMMARY

"We submitted a request for reconsideration to CareWorks on the basis that the attached UBOF has been corrected to show the observation … revenue code 760 and CPT code G0378. Our position is that it is payable because even though it was inadvertently left off of the UB04, it was included in the itemized statement and medical records which were previously provided to CareWorks."

RESPONDENT'S POSITION SUMMARY

"The provider did not bill for G0378 until it submitted a later UB-04 well after 95 days following the services in question."

SUMMARY OF DISPUTE

Dates of Service	Disputed Services	Dispute Amount	Amount Due
July 20, 2018 to July 23, 2018	Outpatient Hospital Services	$999.00	$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

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. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 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.
   - P12 – Workers' compensation jurisdictional fee schedule adjustment.
   - P5 – Based on payer reasonable and customary fees. No maximum allowable defined by legislated fee arrangement.
   - 193 – ORIGINAL PAYMENT DECISION IS BEING MAINTAINED. UPON REVIEW, IT WAS DETERMINED THAT THIS CLAIM WAS PROCESSED PROPERLY.
   - P14 – THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS BEEN PERFORMED ON THE SAME DAY.
   - W3 – REPORTING PURPOSES ONLY.
   - 16 – CLAIM/SERVICE LACKS INFORMATION WHICH IS NEEDED FOR ADJUDICATION. ADDITIONAL INFORMATION IS SUPPLIED USING REMITTANCE ADVICE REMARKS CODES WHENEVER APPROPRIATE.

Issues

Is the requestor entitled to additional reimbursement?

Findings

This dispute regards outpatient observation services (Revenue code 762, CPT code G0378) with payment subject to DWC's *Hospital Facility Fee Guideline*, Rule §134.403, which requires the maximum allowable reimbursement (MAR) to be the Medicare facility specific amount applying Medicare Outpatient Prospective Payment System (OPPS) formulas and factors modified by DWC rules. Rule §134.403(f)(1) requires the Medicare facility specific amount and any outlier payment be multiplied by 200% for these hospital facility services.

Medicare assigns an Ambulatory Payment Classification (APC) to OPPS services based on billed procedure codes and supporting documentation. The APC determines the payment rate. Reimbursement for ancillary items and services is packaged with the APC payment. CMS publishes quarterly APC rate updates, available at www.cms.gov.

Reimbursement for the disputed services is calculated as follows:

- Procedure code G0378 has status indicator N, for packaged codes integral to the total service package with no separate payment; reimbursement is included with payment for the primary services.

The division notes that observation services billed under CPT code G0378 do not change the reimbursement on the bill *unless* reported in combination with an evaluation and management CPT code with a J2 status indicator, in which case, only if all other Medicare criteria are met, and if there is no other procedure with a T or a J1 status indictor reported on the bill, the entire encounter *may* be eligible for comprehensive payment for all services under comprehensive APC 8011 (Comprehensive Observation Services). However, this claim did not meet the criteria for payment under APC 8011, as the primary services (CPT 27405 and 27664) have J1 status indicators. See *Medicare Claims Processing Manual* Chapter 4 §10.2.3 regarding comprehensive APCs for further details.

The total recommended payment for CPT G0378 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	August 16, 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.

The appealing party must submit a *Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision* (form DWC045M). 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 field office handling the claim or to the division at the contact information listed on the form. You must deliver a copy of the request to all other parties involved in the dispute at the same time you file the request. Include a **copy** of this **Medical Fee Dispute 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.