



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 Arlington

Respondent Name

Hartford Casualty Insurance Co

MFDR Tracking Number

M4-19-5011-01

Carrier's Austin Representative

Box Number 47

MFDR Date Received

July 29, 2019

Response Submitted by:

The Hartford

REQUESTOR'S POSITION SUMMARY

"The purpose of this letter is to inform you that payment for service provided to the above reference patient does not comply with Chapters 134.403 and 134.404 of Texas Administrative Code."

RESPONDENT'S POSITION SUMMARY

"Date of service in dispute were processed in accordance with Texas Workers' Compensation Guidelines, 28 TAC §134.403 and §134.203 (c)."

SUMMARY OF FINDINGS

Date of Service	Disputed Services	Amount in Dispute	Amount Ordered
October 9 – 30, 2018	Physical Therapy Services	\$87.44	\$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

- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
- 28 Texas Administrative Code §134.403 sets out the reimbursement guidelines for outpatient medical services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 163 – The charge for this procedure exceeds the unit value and/or the multiple procedure rules
 - 119 – Benefit maximum for this time period or occurrence has been reached
 - 170 – Reimbursement is based on the outpatient/inpatient fee schedule
 - P12 – Workers' Compensation jurisdictional fee schedule adjustment

Issues

1. Does the multiple procedure payment reduction rule apply to the services in dispute?
2. What is the total allowable reimbursement for the services in dispute?
3. Is the requestor entitled to additional reimbursement?

Findings

Texas Health Arlington is seeking additional reimbursement for outpatient physical therapy services rendered in October 2018. Hartford Casualty Insurance Co reduced payment based upon “benefit maximum” and “multiple procedure rules.”

1. The fee guideline for the outpatient services in dispute is found at 28 TAC 134.403. Rule §134.403 paragraph (d) also states that Medicare payment policies apply to outpatient services.

Payment reductions were made by the carrier based upon multiple procedure rules. The *Centers for Medicare and Medicaid Claims Processing Manual 100-04, Chapter 5 titled Part B Outpatient Rehabilitation and CORF/OPT Services* applies and sets the policies applicable to physical therapy services.

Review of the Medicare policies finds that the multiple procedure payment reduction (MPPR) applies to the Practice Expense (PE) of certain time-based physical therapy codes when more than one unit or procedure is provided to the same patient on the same day. Medicare publishes a list of the codes subject to MPPR annually.

For 2018 the codes subject to MPPR are found in the *CY 2018 PFS Final Rule Multiple Procedure Payment Reduction Files*. Review of that list find that codes in dispute are subject to MPPR policy.

The division concludes that the MPPR policy applies to the services in dispute.

2. Applicable 28 TAC §134.403 (h) states when outpatient medical services are reimbursed is made using other Medicare fee schedules, reimbursement is made using the applicable Division fee guideline in effect for the date(s) service were provided.

The physical therapy services provided are classified by Medicare with a status indicator of “A” which is reimbursed under the Professional Medical Fee Guideline. The Division fee guideline is Rule §134.203.

DWC Rule 134.203(h) states that the total reimbursement is the lesser of the maximum allowable reimbursement (MAR) and the billed amount.

The MPPR policy states that:

- Full payment is made for the unit or procedure with the highest Practice Expense (PE) payment factor; and
- For subsequent units the Practice Expense (PE) payment factor is reduced by 50 percent.

Review of the October medical bill provided indicates that multiple procedures were billed by the health care provider. In order to determine whether the MPPR applies to the service in dispute, the DWC must rank all the services billed by their PE payment factor.

Here is a chart ranking the PE payment for each of the codes billed by the health care provider on the submitted medical bill.

CODE	PRACTICE EXPENSE	Medicare Policy
97110	0.4	MPPR applies
97140	0.35	MPPR applies

97530	0.69	Highest PE
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As shown above, code 97530 has the highest PE payment among the services billed by the provider but this code was only billed for date of service October 23, 2018. For other dates, the code 97110 has the highest PE, therefore the reduced PE payment applies to code 97140 and when multiple units of code 97110 were provided.

The MPPR Rate File that contains the payments for 2018 services is found at <https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

- MPPR rates are published by carrier and locality.
- The services were provided in Arlington Texas.
- The carrier code for Texas is 4412 and the locality code for Arlington is 28.

The following formula represents the calculation of the DWC MAR at §134.203 (c)(1) & (2).

$$(DWC \text{ Conversion Factor} \div Medicare \text{ Conversion Factor}) \times Medicare \text{ Payment} = MAR$$

The table below illustrates the calculation of the total allowable reimbursement for the services listed on the DWC060.

Date of Service	Code	Medicare Payment	Maximum Allowable Reimbursement (MAR) §134.203 (c)(1) & (2)	Billed Amount From medical bill	Reimbursement §134.203 (h) Lesser of MAR and billed amount
October 23, 2018	97110	\$23.95 ¹	$(58.31 \div 35.9996) \times (23.95 \times 1 \text{ unit}) = \38.79	\$156.25	\$38.79
October 9, 2018	97140	\$22.07 ¹	$(58.31 \div 35.9996) \times (22.07 \times 2 \text{ units}) = \71.50	\$281.00	\$71.50
October 12, 2018	97140	\$22.07 ¹	$(58.31 \div 35.9996) \times (22.07 \times 1 \text{ unit}) = \35.75	\$140.50	\$35.75
October 18, 2018	97140	\$22.07 ¹	$(58.31 \div 35.9996) \times (22.07 \times 2 \text{ units}) = \71.50	\$281.00	\$71.50
October 23, 2018	97140	\$22.07 ¹	$(58.31 \div 35.9996) \times (22.07 \times 3 \text{ units}) = \107.24	\$421.50	\$107.24
¹ MPPR reduced payment				Total Allowable Reimbursement for disputed services	\$324.78

The total allowable DWC fee guideline reimbursement amount for disputed services is \$324.78.

3. Application of the MPPR and the applicable DWC fee guideline rule result in a total reimbursement amount of \$324.78 for the services in dispute. The carrier paid \$336.29. No additional payment is due.

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

_____	_____	August 21, 2019
Signature	Medical Fee Dispute Resolution Officer	Date

RIGHT TO APPEAL

Either party to this medical fee dispute may seek review of this division decision. To appeal, submit form division Form-045M titled ***Request to Schedule, Reschedule, or Cancel a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (BRC-MFD)*** found at <https://www.tdi.texas.gov/forms/form20numeric.html>.

Follow the instructions on pages 3 and 4. The request must be received by the division within twenty days of your receipt of this decision. This decision becomes final if the request for review of this decision is not timely made. 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.

If you have questions about the division Form-045M, please call CompConnection at 1-800-252-7031, Option 3 or you may email your question to CompConnection@tdi.texas.gov

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a CompConnection 1-800-252-7031 opción 3, o correo electrónico a CompConnection@tdi.texas.gov