



# 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**

DOCTORS HOSPITAL AT RENAISSANCE

**Respondent Name**

XL INSURANCE AMERICA, INC.

**MFDR Tracking Number**

M4-19-5155-01

**Carrier's Austin Representative**

Box Number 19

**MFDR Date Received**

August 9, 2019

**Response Submitted By**

Aetna

#### REQUESTOR'S POSITION SUMMARY

"we have concluded that reimbursement received was inaccurate.... Reimbursement should be \$9,444.21. Payment received was only \$8,159.00, thus ... there is a pending payment in the amount of \$1,285.21."

#### RESPONDENT'S POSITION SUMMARY

"the providers billing includes CPT code 64910, which has a SI of J1, per the Texas workers comp s rules only the highest allowing SI j1 CPT code is payable, all other codes billed are packaged."

#### SUMMARY OF DISPUTE

Dates of Service	Disputed Services	Dispute Amount	Amount Due
April 29, 2019 to April 30, 2019	Outpatient Hospital Services	\$1,285.21	\$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.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - P12 – Workers' compensation jurisdictional fee schedule adjustment.
  - W3 – Request for reconsideration.
  - MJ1N — Recommended reimbursement is based on CMS Hospital Outpatient status indicator J1: Comprehensive APC Non-Complexity Adjustment.
  - MOPS – Services reduced to the Outpatient Prospective Payment System (OPPS)
  - Z652 - Recommendation of payment has been based on this procedure code [A6222, 36415, 80051, 15851, 20103, 64910, J1200] which best describes services rendered.
  - MNSR – This service is not separately payable.
  - ZD86 - Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
  - MV06 – Per CPT guidelines, this service represents an included component of the surgical package and should not be billed with 64910
  - P300 – The amount paid reflects a fee schedule reduction.

- MCMP – The final recommended reimbursement for CMS Hospital Outpatient APC Composite is reflected on this line.
- 96 – Non-covered charge(s).
- ESE1 – According to CMS Rules, Status Indicator E1 service are not covered services.

Issues

Is the requestor entitled to additional reimbursement?

Findings

This dispute regards outpatient facility services subject to DWC’s *Hospital Facility Fee Guideline*, Rule §134.403, which requires the maximum allowable reimbursement (MAR) 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 disputed 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](http://www.cms.gov).

Reimbursement for the disputed services is calculated as follows:

- Procedure code 64910 has status indicator J1, for procedures paid at a comprehensive rate. All covered services on the bill are packaged with the primary "J1" procedure. This code is assigned APC 5432. The OPPS Addendum A rate is \$4,566.06, multiplied by 60% for an unadjusted labor amount of \$2,739.64, in turn multiplied by the facility wage index of 0.8224 for an adjusted labor amount of \$2,253.08. The non-labor portion is 40% of the APC rate, or \$1,826.42. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$4,079.50 is multiplied by 200% for a MAR of \$8,159.00.
- Payment for all other services on the bill is packaged with the primary comprehensive J1 service per Medicare policy regarding comprehensive APCs. See *Medicare Claims Processing Manual* Chapter 4 §10.2.3 for details.

The total recommended reimbursement for the disputed services is \$8,159.00. The insurance carrier paid \$8,159.00. Additional payment is not recommended.

Conclusion

The division finds the requestor has not established that additional payment is due. 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.

Signature	Grayson Richardson Medical Fee Dispute Resolution Officer	August 23, 2019 Date
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**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.