



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

Doctor's Hospital at Renaissance

Respondent Name

State Office of Risk Management

MFDR Tracking Number

M4-19-5249-01

Carrier's Austin Representative

Box Number 45

MFDR Date Received

August 21, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "After reviewing the account we have concluded that reimbursement received was inaccurate. ...There is a pending payment in the amount of \$1,112.65."

Amount in Dispute: \$1,112.65

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Upon notification of this dispute the Office performed a comprehensive review of the medical billing in question received from Doctor's Hospital at Renaissance for date of service 3/1/2019 - 3/28/2019 and determined that no additional payment is warranted."

Response Submitted by: SORM

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: March 1 - 28, 2019, Outpatient Therapy Services, \$1,112.65, \$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

- 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 reimbursement guidelines for outpatient hospital services.
3. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical

services.

4. 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 multiple procedure rule
 - 119 – Benefit maximum for this time period or occurrence has been reached
 - P12 – Worker’s compensation jurisdictional fee schedule adjustment

Issues

1. Is the requestor’s position supported?
2. Is the carrier’s reduction of payment supported?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement for outpatient therapy services performed from March 1 – 28, 2019. In their position statement, the requestor shows a calculation of the allowed amount multiplied by 200%. 28 TAC §134.403 (h) states in pertinent part,

For medical services provided in an outpatient acute care hospital, but not addressed in the Medicare payment policies as outlined in subsections (f)(1) or (f)(2) of this section, and for which Medicare reimburses using other Medicare fee schedules, reimbursement shall be made using the applicable Division Fee Guideline in effect for that service on the date the service was provided.

Review of the submitted medical bill finds all of the codes submitted have a status indicator of “A” which means, “Not paid under OPPS. Paid by MACs under a fee schedule or payment system other than OPPS.” In this case, the physician fee schedule and DWC professional fee guideline found in 28 TAC §134.203. This fee schedule will be used in calculating the allowable.

2. The carrier reduced the allowed units as “benefit maximum exceeded.” Review of the IMO Notification form dated March 7, 2019 found, “...up to four units per session is allowed.” Review of the submitted medical bill found the health care provider did not exceed the number of authorized units. The insurance carrier’s reduction in units is not supported.

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 2019 the codes subject to MPPR are found in the *CY 2019 PFS Final Rule Multiple Procedure Payment Reduction Files*. Review of that list find that code 97110 is subject to MPPR policy.

DWC concludes that the MPPR policy applies to the services in dispute.

3. Applicable 28 TAC 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 March 2019, medical bill indicates that three procedures were billed by the health care provider. DWC must rank all the services provided 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 April 5, 2019.

CODE	PRACTICE EXPENSE	Medicare Policy
97110	0.4	MPPR applies
97112	0.47	MPPR applies
97530	0.67	Highest rank, no MPPR

The *MPPR Rate File* that contains the payments for 2019 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 Edinburg Texas.
- The carrier code for Texas is 4412 and the locality code for Edinburg is 99.

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.

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
March 1, 2019	97530	\$39.08	$(59.19 \div 36.0391) \times \64.18	\$176.00	\$64.18
March 1, 2019	97110	\$38.68 ¹	$(59.19 \div 36.0391) \times \$38.68 \times 2 = \$77.36$	\$284.00	\$77.36
March 1, 2019	97112	\$26.54 ¹	$(59.19 \div 36.0391) \times \$26.54 = \$43.59$	\$142.00	\$43.59
March 6, 2019	97110	\$38.68 ¹	$(59.19 \div 36.0391) \times \$38.68 \times 2 = \$77.36$	\$284.00	\$77.36
March 6, 2019	97112	\$26.54 ¹	$(59.19 \div 36.0391) \times \$26.54 = \$43.59$	\$142.00	\$43.59
March 6, 2019	97530	\$39.08	$(59.19 \div 36.0391) \times \64.18	\$176.00	\$64.18
March 14, 2019	97530	\$39.08	$(59.19 \div 36.0391) \times \64.18	\$176.00	\$64.18
March 14, 2019	97110	\$38.68 ¹	$(59.19 \div 36.0391) \times \$38.68 \times 2 = \$77.36$	\$284.00	\$77.36

March 14, 2019	97112	\$26.54 ¹	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$142.00	\$43.59
March 15, 2019	97530	\$39.08	$(59.19 \div 36.0391) \times$ $\$64.18$	\$176.00	\$64.18
March 15, 2019	97110	\$38.68 ¹	$(59.19 \div 36.0391) \times$ $\$38.68 \times 2 = \77.36	\$284.00	\$77.36
March 15, 2019	97112	\$26.54 ¹	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$142.00	\$43.59
March 19, 2019	97530	\$39.08	$(59.19 \div 36.0391) \times$ $\$64.18$	\$176.00	\$64.18
March 19, 2019	97110	\$38.68 ¹	$(59.19 \div 36.0391) \times$ $\$38.68 \times 2 = \77.36	\$284.00	\$77.36
March 19, 2019	97112	\$26.54 ¹	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$142.00	\$43.59
March 21, 2019	97530	\$39.08	$(59.19 \div 36.0391) \times$ $\$64.18$	\$176.00	\$64.18
March 21, 2019	97110	\$38.68 ¹	$(59.19 \div 36.0391) \times$ $\$38.68 \times 2 = \77.36	\$284.00	\$77.36
March 21, 2019	97112	\$26.54 ¹	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$142.00	\$43.59
March 28, 2019	97530	\$39.08	$(59.19 \div 36.0391) \times$ $\$64.18$	\$176.00	\$64.18
March 28, 2019	97110	\$38.68 ¹	$(59.19 \div 36.0391) \times$ $\$38.68 \times 2 = \77.36	\$284.00	\$77.36
March 28, 2019	97112	\$26.54 ¹	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$142.00	\$43.59
¹ MPPR reduced payment				Total Allowable Reimbursement	\$1,295.91

Application of the MPPR and the applicable DWC fee guideline rule result in a total reimbursement amount of \$1,295.91 for the services in dispute. The carrier paid \$1,295.91. No additional reimbursement 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

Signature

Medical Fee Dispute Resolution Officer

September 19, 2019
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.