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 Health Flower Mound

Respondent Name
City of Plano

MFDR Tracking Number
M4-20-0026-01

Carrier's Austin Representative
Box Number 19

MFDR Date Received
September 4, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "PT services billed by a hospital or a UB are paid using the CMS calculation with the appropriate hospital uplift. Physician conversion factors are not applicable."

Amount in Dispute: $55.74

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "It is the carriers' position that the provider is not entitled to additional reimbursement."

Response Submitted by: Flahive Ogden & Latson

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
December 4 – 11, 2018	Outpatient Therapy Services	$55.74	$26.40

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:

- P12 – Workers' compensation jurisdictional fee schedule adjustment
- 59 – Processed based on multiple or concurrent procedure rules

Issues

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

Findings

1. The requestor is seeking additional reimbursement for outpatient therapy services performed from December 4 – 11, 2018. The carrier reduced the allowed amount based on the workers' compensation fee schedule and multiple procedure payment rules.

   The applicable Division Rule is found in 28 Texas Administrative Code 134.403. The first applicable section is (d) which requires Texas workers' compensation system participants to apply Medicare payment policies for coding, billing, reporting, and reimbursement of health care covered in effect on the date a service is provided.

   The Medicare reimbursement formula factors are found at https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/Addendum-A-and-Addendum-B-Updates.html. The Status Indicator determines the payment for each code.

   The status indicator for each of the HCPCs code listed on the DWC060 have an "A" status indicator which is defined as, "Not paid under OPPS. Paid by MACs under a fee schedule or payment system other than OPPS."

   28 TAC §134.403 (h) is the next applicable section and requires when medical services are provided in an outpatient acute care hospital 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. The applicable Division fee guideline is found in 28 TAC §134.203 shown below.

2. Payment reductions were made by the carrier based upon multiple procedure rules. Rule §134.203 paragraph (b) (1) states that Medicare payment policies apply to professional services.

   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.

   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 the disputed codes are subject to MPPR policy.

   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 submitted medical bill indicates that three procedures were billed by the health care provider. In order to determine the MPPR rates to the services in dispute, the DWC must rank all the services provided by their PE payment factor.

CODE	PRACTICE EXPENSE	Medicare Policy
97110	0.4	MPPR applies
97112	**0.47**	**Highest rank, no MPPR**
97140	0.35	MPPR applies

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 Flower Mound, Texas.
- The carrier code for Texas is 4412 and the locality code for Flower Mound is 99.

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

(DWC Conversion Factor ÷ Medicare Conversion Factor) x Medicare Payment = MAR

Applicable 28 TAC 134.203(h) states that the total reimbursement is the lesser of the maximum allowable reimbursement (MAR) and the billed amount.

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
December 4, 2018	97140	$21.68[1]	(53.81 ÷ 35.9996) x $21.68 = $35.12	$140.50	$35.12
December 11, 2018	97140	$21.68[1]	(53.81 ÷ 35.9996) x $21.68 = $35.12	$140.50	$35.12
December 4, 2018	97112	$34.44	(53.81 ÷ 35.9996) x $34.44 = $55.78	$143.75	$55.78
December 11, 2018	97112	$34.44	(53.81 ÷ 35.9996) x $34.44 = $55.78	$143.75	$55.78
December 11, 2018	97110	$23.13[1]	(53.81 ÷ 35.9996) x $23.13 = $37.46	$156.25	$37.46
		[1]MPPR reduced payment		Total Allowable Reimbursement	$219.26

The total allowable DWC fee guideline reimbursement amount is $219.26. The insurance carrier paid $192.86. An additional payment of $26.40 is due to the requestor.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, DWC hereby determines the requestor is entitled to $26.40 additional reimbursement for the services in dispute.

Authorized Signature

		October 9, 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, 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 DWC within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to DWC 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 TAC §141.1(d).

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