



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 Plano

Respondent Name

Great Divide Insurance Co

MFDR Tracking Number

M4-20-0038-01

Carrier's Austin Representative

Box Number 47

MFDR Date Received

September 9, 2019

Response Submitted by:

Berkley Entertainment

REQUESTOR'S POSITION SUMMARY

"Underpaid/Denied Physical Therapy Rate."

RESPONDENT'S POSITION SUMMARY

"State markup would not be 200% as this is specifically designated for APC rates and PT codes are paid per the CMS RBRVS physician fee schedule..."

SUMMARY OF FINDINGS

Date of Service	Disputed Services	Amount in Dispute	Amount Ordered
March 1 – 29, 2019	97110	\$415.66	\$0.00
March 1 – 20, 2019	97112		

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.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 356 – This outpatient allowance was based on the Medicare's methodology (Part B) plus the Texas markup
 - 650 – Allowance is reduced per the multiple procedure payment reduction for selected therapy services

Issues

1. What rule(s) are applicable to the disputed services?
2. How is the gee guideline determined?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement of \$415.66 for outpatient therapy services performed in March 2019 at outpatient hospital. The carrier reduced the allowed amount based on Medicare's methodology plus the Texas Mark and multiple procedure discounts.

The first applicable section of Rule 134.403 is (d) which requires system participants to apply Medicare payment policies in effect on the date of service provided for coding, billing, reporting, and reimbursement of health care.

The Medicare payment factors are found at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/Addendum-A-and-Addendum-B-Updates.html>. The specific factor is the Status Indicators. 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."

The second applicable section is (h) which details when outpatient services are provided and Medicare reimburses using other Medicare fee schedules, reimbursement is made using the applicable Division fee guideline.

Based on the requirements of 28 TAC §134.403 (h) the applicable Division fee guideline is found in 28 TAC §134.203 found below.

2. 28 TAC §134.203 (b) requires Texas workers' compensation system participants to apply Medicare payment policies, including its coding; billing and reimbursement for professional medical 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.

The 2019 codes subject to MPPR are found in the *CY 2019 PFS Final Rule Multiple Procedure Payment Reduction Files*. Review of that list find the codes in dispute 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 four 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 provided on in March 2019 by their PE payment factor.

Here is a chart ranking the PE payment for each of the codes billed by the health care provider in March 2019.

CODE	PRACTICE EXPENSE	Medicare Policy
97110	0.4	MPPR applies
97112	0.47	MPPR applies
97140	0.35	MPPR applies
97530	0.67	Highest, 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 Plano, Texas.
- The carrier code for Texas is 4412 and the locality code for Plano is 99.

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

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

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
March 1, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 4, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 5, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 6, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 7, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 8, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 11, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 12, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68
March 13, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times \$23.55 = \$38.68$	\$162.50	\$38.68

March 14, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 15, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 18, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 19, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 20, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 21, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 22, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 25, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 26, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 27, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 28, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 29, 2019	97110 ¹	\$23.55	$(59.19 \div 36.0391) \times$ $\$23.55 = \38.68	\$162.50	\$38.68
March 1, 2019	97112 ¹	\$26.54	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$149.50	\$43.59
March 4, 2019	97112 ¹	\$26.54	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$149.50	\$43.59
March 5, 2019	97112 ¹	\$26.54	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$149.50	\$43.59
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March 20, 2019	97112 ¹	\$26.54	$(59.19 \div 36.0391) \times$ $\$26.54 = \43.59	\$149.50	\$43.59
¹ MPPR reduced payment				Total Allowable Reimbursement	\$1,422.54

3. Application of the MPPR and the applicable DWC fee guideline rule result in a total reimbursement amount of \$1,422.54 for the services in dispute. The carrier paid \$1,422.54. No additional payment is due.

Conclusion

For the reasons stated above, DWC 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, DWC hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

Authorized Signature

Signature	Medical Fee Dispute Resolution Director	October 9, 2019 Date
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RIGHT TO APPEAL

Either party to this medical fee dispute may seek review of this DWC decision. To appeal, submit form 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 DWC 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 DWC using the contact information listed on the form or to the field office handling the claim.

If you have questions about DWC 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