



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

STATE OFFICE OF RISK MANAGEMENT

MFDR Tracking Number

M4-20-0205-01

Carrier's Austin Representative

Box Number 45

MFDR Date Received

September 23, 2019

Response Submitted By

State Office of Risk Management

REQUESTOR'S POSITION SUMMARY

"After reviewing the account we have concluded that reimbursement received was inaccurate."

RESPONDENT'S POSITION SUMMARY

"additional payment is being requested for diagnostic studies that have a Q1 status indicator which are packaged when billed on the same date of service with any other code with a status indicator of S, T, V, or X."

SUMMARY OF DISPUTE

Table with 4 columns: Dates of Service, Disputed Services, Dispute Amount, Amount Due. Row 1: July 19, 2019, Outpatient Hospital Services, \$1,116.56, \$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 (DWC).

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 hospital facility fee guideline for outpatient services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
- 56 - SIGNIFICANT, SEPARATELY IDENTIFIABLE E/M SERVICE RENDERED
- 97 - PAYMENT ADJUSTED BECAUSE THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED.
- 615 - MODIFIER 91 - REPEAT CLINICAL DX LAB TEST
- 802 - CHARGE FOR THIS PROCEDURE EXCEEDS THE OPPS SCHEDULE ALLOWANCE
- P12 - WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
- 4915 - THE CHARGE FOR THE SERVICES REPRESENTED BY THE REVENUE CODE ARE INCLUDED/BUNDLED INTO THE TOTAL FACILITY PAYMENT AND DO NOT WARRANT A SEPARATE PAYMENT OR THE PAYMENT STATUS INDICATOR DETERMINES THE SERVICE IS PACKAGED OR EXCLUDED FROM PAYMENT.
- 18 - EXACT DUPLICATE CLAIM/SERVICE
- 247 - A PAYMENT OR DENIAL HAS ALREADY BEEN RECOMMENDED FOR THIS SERVICE

Findings

This dispute regards outpatient facility services subject to DWC's *Hospital Facility Fee Guideline*, 28 Texas Administrative Code §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 28 TAC §134.403(f)(1) requires the Medicare facility specific amount 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. Reimbursement for the disputed services is calculated as follows:

- Procedure codes 82565, 83690, 80053, G0480, 84484, 85014, 85610, 85730, and 85025 have status indicator Q4, for packaged labs; reimbursement is included with payment for the primary services.
- Procedure codes 86850, 86900, 86901, 72170, 73100, 73100, and 93005 have status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for other services assigned status indicator S, T or V.
- Procedure code 71045 represents an x-ray service assigned APC 5521. The OPPS Addendum A rate is \$62.30, which is multiplied by 60% for an unadjusted labor amount of \$37.38, and in turn multiplied by the facility wage index of 0.8224 for an adjusted labor amount of \$30.74. The non-labor portion is 40% of the APC rate, or \$24.92. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$55.66. This is multiplied by 200% for a MAR of \$111.32.
- Procedure codes 70450, 72125, 71260, and 74177 have status indicator Q3, for packaged codes paid through a composite APC. Codes assigned to composites are major components of a single episode of care; the hospital receives one payment for any combination of designated procedures. These services are assigned composite APC 8006, for computed tomography (CT) services including contrast. The OPPS Addendum A rate is \$480.77, which is multiplied by 60% for an unadjusted labor amount of \$288.46, and in turn multiplied by the facility wage index of 0.8224 for an adjusted labor amount of \$237.23. The non-labor portion is 40% of the APC rate, or \$192.31. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$429.54. This is multiplied by 200% for a MAR of \$859.08.
- Procedure code 76705 represents an ultrasound service assigned APC 5522. The OPPS Addendum A rate is \$112.51, which is multiplied by 60% for an unadjusted labor amount of \$67.51, and in turn multiplied by the facility wage index of 0.8224 for an adjusted labor amount of \$55.52. The non-labor portion is 40% of the APC rate, or \$45.00. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$100.52. This is multiplied by 200% for a MAR of \$201.04.
- Procedure code 99291 represents an outpatient visit assigned APC 5041 with OPPS Addendum A rate \$740.02. This is multiplied by 60% for an unadjusted labor amount of \$444.01, and in turn multiplied by the facility wage index of 0.8224 for an adjusted labor amount of \$365.15. The non-labor portion is 40% of the APC rate, or \$296.01. The sum of the labor and non-labor portions is the Medicare facility specific amount of \$661.16. This is multiplied by 200% for a MAR of \$1,322.32.
- Procedure codes 99292, Q9967, J2405, J0690, J2270, J7120 have status indicator N, for ancillary packaged items and services integral to the total service package with no separate payment; reimbursement is included in the payment for the primary services.

The total recommended reimbursement for the disputed services is \$2,493.76. The insurance carrier paid \$2,493.76. Additional payment is not recommended.

Conclusion

In resolving disputes over reimbursement for medically necessary health care to treat a compensable injury, the role of the division is to adjudicate payment following Texas laws and DWC rules. The findings in this decision are based on the evidence available at the time of review. Even though not all the evidence was discussed, it was considered.

The requestor has not established that additional payment is due. As a result, the amount ordered is \$0.00.

ORDER

In accordance with Texas Labor Code §413.031, based on the information submitted for review, DWC hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

Authorized Signature

Signature

Grayson Richardson
Medical Fee Dispute Resolution Officer

October 18, 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 28 TAC §133.307. The appealing party must submit a *Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision* (form DWC045M). DWC must receive the request within twenty days of your receipt of this decision. You may fax, mail or personally deliver the request to either the field office handling the claim or to DWC at the contact information on the form. You must send a copy to all other parties in the dispute at the same time you file the request. Include a **copy** of this **Medical Fee Dispute Decision** along with any other information required by 28 TAC §141.1(d). Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.