



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

HB ANESTHESIOLOGY GROUP

Respondent Name

STATE OFFICE OF RISK MANAGEMENT

MFDR Tracking Number

M4-20-0243-01

Carrier's Austin Representative

Box Number 45

MFDR Date Received

SEPTEMBER 26, 2019

REQUESTOR'S POSITION SUMMARY

"Please accept this 'request for reconsideration' letter, as required in the TWCC Medical Fee Guidelines when appealing denied claims, as my official appeal letter for unpaid anesthesia services rendered to [Claimant] on 06/27/2019."

Amount Sought: \$2,241.00

RESPONDENT'S POSITION SUMMARY

"The Office respectfully requests the Division to dismiss the medical fee dispute resolution pursuant to Rule §133.307(f)(3)(A) as the requestor has failed to submit an appeal as prescribed by the Division under §133.250."

Response Submitted by: State Office of Risk Management

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount Sought, Amount Due. Row 1: June 27, 2019, Anesthesia Services CPT Code 01830-QK, \$2,241.00, \$263.39

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 (DWC).

Background

- 1. 28 Texas Administrative Code §133.307, effective May 31, 2012, sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §133.20, effective January 29, 2009, sets out the health care providers billing procedures.

3. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets out the reimbursement guidelines for professional services.
4. 28 Texas Administrative Code §133.250, effective March 30, 2014, sets out the medical bill processing and audit by insurance carriers procedures.
5. The insurance carrier denied/reduced payment for the disputed services with the following claim adjustment codes:
 - 197-Payment denied/reduced for absence of precertification/authorization.

Issues

1. Are the disputed services eligible for medical fee dispute resolution in accordance with 28 TAC §133.307?
2. Is the requestor due reimbursement for anesthesia services rendered on June 27, 2019?

Findings

1. The requestor is seeking medical dispute resolution in the amount of \$2,241.00 for anesthesia services billed with CPT code 01830-QK rendered on June 27, 2019.
2. The respondent wrote, "The Office respectfully requests the Division to dismiss the medical fee dispute resolution pursuant to Rule §133.307(f)(3)(A) as the requestor has failed to submit an appeal as prescribed by the Division under §133.250."
3. Whether the requestor's medical fee dispute is eligible for review relies upon whether the requestor satisfied the relevant prerequisite requirements as follows:
 - 28 TAC §133.307(c)(2)(J) requires the requestor to submit "a paper copy of all medical bill(s) related to the dispute, as originally submitted to the insurance carrier in accordance with this chapter and a paper copy of all medical bill(s) submitted to the insurance carrier for an appeal in accordance with §133.250 of this chapter (relating to General Medical Provisions)."
 - 28 TAC §133.250(i) states "If the health care provider is dissatisfied with the insurance carrier's final action on a medical bill after reconsideration, the health care provider may request medical dispute resolution in accordance with the provisions of Chapter 133, Subchapter D of this title (relating to Dispute of Medical Bills)."

When read together, the requirements listed above obligate the requestor to provide proof that the medical bill for the services in dispute was appealed in accordance with §133.250.

The DWC finds:

- The requestor submitted an Explanation of Benefits dated July 31, 2019 for CPT code 01830-QK, that indicates the insurance carrier received the bill on July 10, 2019.
- The requestor submitted a reconsideration letter dated August 14, 2019.
- The requestor submitted the July 31, 2019 explanation of benefits and a bill dated August 28, 2019 for CPT code 01830-QK that were stamped "SORM Aug 30, 2019."
- The requestor submitted a bill dated September 19, 2019 for code 01830-QK in the amount of \$2,241.00.
- The requestor supported position that they sought reconsideration as required by 28 TAC §133.250(i). For that reason, the service in dispute is eligible for fee dispute resolution.

4. The respondent denied reimbursement for CPT code 01830-QK based upon a lack of preauthorization.

On June 28, 2019, Injury Management Organization gave preauthorization approval for right ring finger open reduction internal fixation of the distal phalanx .

The DWC finds the respondent's denial based upon a lack of preauthorization is not supported.

5. The fee guidelines for disputed services is found at 28 TAC §134.203.
6. 28 TAC §134.203(a)(5) states, "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."
7. 28 TAC 134.203(b)(1) states, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."
8. CPT code 01830 is described as, "Anesthesia for open or surgical arthroscopic/endoscopic procedures on distal radius, distal ulna, wrist, or hand joints; not otherwise specified." The requestor appended modifier "QK- Medical direction of two, three or four concurrent anesthesia procedures involving qualified individuals" to code 01830.
9. 28 TAC §134.203(c)(1) states, "...To determine to MAR for professional services, system participants shall apply the Medicare payment policies with minimal modification...For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$53.68..." The DWC conversion factor for CY 2018 is \$58.31."

Per Medicare Claims Processing Manual, Chapter 12, Physicians/Nonphysician Practitioners, Payment for Anesthesiology Services, Section (50)(C), effective January 1, 2017, states, "The A/B MAC determines payment at the medically directed rate for the physician on the basis of 50 percent of the allowance for the service performed by the physician alone. Payment will be made at the medically directed rate if the physician medically directs qualified individuals (all of whom could be CRNAs, anesthesiologists' assistants, interns, residents, or combinations of these individuals) in two, three, or four concurrent cases and the physician performs the following activities." Because the requestor appended the QK modifier, the MAR will be reduced by 50%.

Per Medicare Claims Processing Manual, Chapter 12, Physicians/Nonphysician Practitioners, Payment for Anesthesiology Services, Section (50)(G), effective January 1, 2017, states, "Actual anesthesia time in minutes is reported on the claim. For anesthesia services furnished, the A/B MAC computes time units by dividing reported anesthesia time by 15 minutes. Round the time unit to one decimal place." The requestor billed for 88 minutes; therefore, $88/15 = 5.86 = 5.9$.

To determine the MAR the following formula is used: (Time units + Base Units) X Conversion Factor = Allowance.

The 2019 DWC conversion factor for this service is 59.19.

Code	Time Units	Base Units	MAR or §134.203 (h) Lesser of MAR billed amount	Carrier Paid	Total Due
01830	5.9	3	\$526.79 X 50% = \$263.39	\$0.00	\$263.39

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$263.39.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$263.39 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

10/29/2019
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 Texas Administrative Code §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 MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **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.