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 Institute for Surgery

Respondent Name

Employers Mutual Casualty Co

MFDR Tracking Number

M4-20-0367-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

October 9, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The purpose of this letter is to inform you that payment for services provided to the above referenced patient does not comply with Chapters 134.403 and 134.404 of Texas Administrative Code."

Amount in Dispute: $535.62

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The CPT code for which the provider seeks Medical Fee Dispute Resolution is a service that was included in the payment/allowance for other services/procedures for which the provider has been reimbursed. The provider is not entitled to any additional reimbursement."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
October 31, 2018	Outpatient Hospital Services	$535.62	$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. The insurance carrier reduced or denied the payment for the disputed services with the following claim adjustment codes:
   - P12 – Workers' compensation jurisdictional fee schedule adjustment

Issues

1. What is the applicable rule for determining reimbursement for the disputed services?
2. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement in the amount of $535.62 for outpatient hospital services rendered on October 31, 2018. The insurance carrier reduced the disputed services based on workers compensation jurisdictional fee schedule.

   28 TAC §134.403 (d) requires Texas workers' compensation system participants when coding, billing, reporting and reimbursement to apply Medicare payment policies in effect on the date of service.

   The Medicare payment policy applicable to the services in dispute is found at www.cms.gov, Claims processing Manual, Chapter 4, Section 10.1.1. Specifically, Payment Status Indicators.

   The status indicator identifies whether the service described by the HCPCS code is paid under the OPPS and if so, whether payment is made separately or packaged.

   While the requestor has only listed Code 29828 on the DWC060. This code is considered with all of the operating room services (Revenue Code 360) to determine the allowed amount.

   The applicable Medicare payment policy and Division fee guideline is found below:

   - Procedure codes 29823, 29824, 29827 and 29828 have status indicators of J1.

     Section 10.2.3 of the Medicare Claims Processing Manual states,

     *Claims reporting at least one J1 procedure code **will package** the following items and services that are not typically packaged under the OPPS:*

     • lower ranked comprehensive procedure codes (status indicator J1)

     The ranking of the Procedure codes with a J1 status indicator is as follows;

     - 29823, ranking 1414
     - 29824, ranking 1425
     - 29827, ranking 343
     - 29828, ranking 465

   - Procedure code 29827 is the highest ranking J1 procedure on the submitted medical bill and all other charges are packaged into the allowable for this line item.

     The OPPS Addendum A rate is $5,606.42, multiplied by 60% for an unadjusted labor amount of $3,363.85, in turn multiplied by the facility wage index of 0.9736 for an adjusted labor amount of $3,275.04. The non-labor portion is 40% of the APC rate, or $2,242.57. The sum of the labor and non-labor portions is $5,517.61. The Medicare facility specific amount of $5,517.61 is multiplied by 200% for a MAR of $11,035.22.

2. The total recommended reimbursement for the disputed services is $11,035.22. The insurance carrier paid $17,804.85. No additional payment is due.

Conclusion

In resolving disputes over reimbursement for medically necessary health care to treat a compensable injury, the role of DWC 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. For the reasons above the requestor has not established payment 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 Officer	November 7, 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 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.