



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

UT Health East Texas Rehab

Respondent Name

Service Lloyds Insurance Co

MFDR Tracking Number

M4-20-0708-01

Carrier's Austin Representative

Box Number 1

MFDR Date Received

November 18, 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: \$483.70

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "...there is a TX HCN Contract reduction applied after Fee Schedule in accordance with the providers contract with Coventry Integrate Network."

Response Submitted by: Avidel

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 7 – 28, 2019	Outpatient Therapy Services	\$483.70	\$411.87

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:
 - 131 – Claim specific negotiated discount
 - P12 – Workers compensation jurisdictional fee schedule
 - 650 – Allowance is reduced per the multiple procedure payment reduction for selected therapy services

Issues

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

Findings

1. The requestor is seeking additional reimbursement for outpatient therapy services rendered in August 2019. The insurance carrier reduced the disputed services based on negotiated discount, specifically Coventry HCN Network.

Although Coventry HCN Network is listed as a certified network on the Division's webpage, the carrier did not provide convincing evidence that the injured employee is enrolled in this network, nor did the carrier provide documentation to support that the requestor is contracted with Coventry. The insurance carrier's response will not be considered in this review.

2. The carrier also reduced the allowed amount based on the workers compensation fee schedule and the multiple procedure payment rules.

28 TAC 134.403 applies to outpatient hospital services. Section (h) requires when Medicare reimburses using other Medicare fee schedules, reimbursement is made using the applicable Division Fee Guideline in effect for that service on the date was provided.

The applicable DWC fee guideline for occupational therapy is 28 TAC §134.203 (b) (1) which requires the application of Medicare payment policies applicable to professional services.

Review of the Medicare policies finds 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.

The MPPR policy allows for full payment 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 provided indicates that three 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 in December 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.

CODE	PRACTICE EXPENSE	ALLOWED AMOUNT	Medicare Policy
97110	.04	\$30.28 \$23.53	MPPR does not apply MPPR applies to 2 nd unit
97140	.35	\$21.68	MPPR applies
97530	.69	\$39.71 \$28.06	Highest PE no MPPR MPPR applies to 2 nd unit

The *MPPR Rate File* that contains the payments for 2019 services is found at.

- MPPR rates are published by carrier and locality.
- The services were provided in Tyler Texas.
- The carrier code for Texas is 4412 and the locality code for Tyler is 99.

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

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

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	Units	Medicare Payment	DWC Conversion Factor divided by Medicare Conversion Factor or 59.19 ÷ 36.0391	Billed Amount	Lesser of MAR and billed amount
August 7, 2019	97110	2	\$23.53	\$77.29	\$389.50	\$77.29
August 12, 2019	97110	3	\$30.28 \$23.53	\$38.65 + \$77.29 = \$115.94	\$584.25	\$115.94
August 14, 2019	97110	3	\$23.53	\$115.94	\$584.25	\$115.94
August 19, 2019	97110	4	\$30.28 \$23.53	\$38.65 + \$115.94 = \$154.59	\$779.00	\$154.59
August 21, 2019	97110	4	\$30.28 \$23.53	\$38.65 + \$115.94 = \$154.59	\$779.00	\$154.59
August 26, 2019	97110	3	\$23.53	\$115.94	\$584.25	\$115.94
August 28, 2019	97110	3	\$23.53	\$115.94	\$584.25	\$115.94
August 12, 2019	97140	1	\$21.68	\$35.61	\$159.75	\$35.61
August 7, 2019	97530	2	\$39.71 \$28.06	\$65.22 + \$46.09 = \$111.31	\$468.00	\$111.31
August 14, 2019	97530	1	\$39.71	\$65.22	\$234.00	\$65.22
August 26, 2019	97530	1	\$39.71	\$65.22	\$234.00	\$65.22
August 28, 2019	97530	1	\$39.71	\$65.22	\$234.00	\$65.22
TOTAL						\$1,076.87

3. The total allowable DWC fee guideline reimbursement is \$1,076.87. The insurance carrier paid \$665.00 and additional payment of \$411.87 is recommended.

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 established payment is due. The amount ordered is \$411.87.

ORDER

In accordance with Texas Labor Code Section 413.031 and 413.019 (if applicable) and based on the submitted information, DWC finds the requestor is entitled to additional reimbursement. DWC hereby ORDERS the respondent to remit to the requestor \$411.87, plus accrued interest per Rule §134.130, due within 30 days of receipt of this order.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

January 11, 2020
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.