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 Denton

Respondent Name
Service Lloyds Insurance Co

MFDR Tracking Number
M4-20-1035-01

Carrier's Austin Representative
Box Number 1

MFDR Date Received
December 23, 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: $109.27

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "...some allowances reduced per the multiple procedure payment reduction for selected therapy services."

Response Submitted by: Avidel

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
December 14 -31, 2018	Outpatient Therapy Services	$109.27	$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. 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:
   - 650 – Allowance is reduced per the multiple procedure payment reduction for selected therapy services
   - P12 – Workers' compensation jurisdictional fee schedule adjustment

Issues

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

Findings

1. The requestor is seeking additional reimbursement for outpatient therapy services performed from December 14 - 31, 2018. The carrier reduced the allowed amount based on the workers compensation fee schedule and Medicare multiple procedure payment reduction rates.

   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 physical 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 five 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 2018 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	0.4	$23.53	MPPR applies
97140	0.35	$21.68	MPPR applies
97760	0.81	$32.25	MPPR applies
97763	0.87	$47.23	Highest for December 28, 2018
97167	1.32	$89.21	Highest for December 14, 2018

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 Denton Texas.
- The carrier code for Texas is 4412 and the locality code for Denton is 99.

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

(DWC Conversion Factor ÷ Medicare Conversion Factor) x Medicare Payment = 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 58.31÷35.9996	Billed Amount	Lesser of MAR and billed amount
December 14, 2018	97110	1	$23.53	$38.11	$174.75	$38.11
December 17, 2018	97110	1	$23.53	$38.11	$174.75	$38.11
December 21, 2018	97110	1	$23.53	$38.11	$174.75	$38.11
December 28, 2018	97110	1	$23.53	$38.11	$174.75	$38.11
December 17, 2018	97140	2	$21.68	$70.23	272.00	$70.23
December 21, 2018	97140	2	$21.68	$70.23	272.00	$70.23
December 26, 2018	97140	2	$21.68	$70.23	272.00	$70.23
December 28, 2018	97140	2	$21.68	$70.23	272.00	$70.23
December 31, 2018	97140	2	$21.68	$70.23	272.00	$70.23
December 14, 2018	97760	3	$32.25	$158.12	$643.00	$156.71
					Total	$660.30

2. The total allowable DWC fee guideline reimbursement is $660.30. The insurance carrier paid $660.30. No additional payment is recommended.

Conclusion

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, the division hereby determines the requestor is entitled to $0.00 additional reimbursement for the services in dispute.

Authorized Signature

[redacted]
Signature

[redacted]
Medical Fee Dispute Resolution Officer

January 15, 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.