



# TEXAS DEPARTMENT OF INSURANCE

## Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

### MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

#### GENERAL INFORMATION

**Requestor Name**

BAYLOR SURGICARE AT MANSFIELD

**Respondent Name**

TRAVELERS INDEMNITY CO

**MFDR Tracking Number**

M4-20-2254-01

**Carrier's Austin Representative**

Box Number 05

**MFDR Date Received**

MAY 13, 2020

#### REQUESTOR'S POSITION SUMMARY

"At this time we are requesting that this claim paid in accordance with the 2020 Texas Workers Compensation Fee Schedule and Guidelines."

**Amount in Dispute:** \$7,549.79

#### RESPONDENT'S POSITION SUMMARY

"The Provider contends they are entitled to reimbursement for CPT code C1713 (anchors/screws) and L8699 (unspecified prosthetic implant. On the HCFA-1500, the provider notates that L8699 is being billed for an amnion patch and allograft. The Carrier has reviewed the documentation and determined the Provider was properly reimbursed...Since none of the implantable invoices or documentation submitted by the Provider were for implantables utilized in the Claimant's surgery, no reimbursement is due for those implantables."

**Response Submitted By:** Travelers

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
February 19, 2020	Ambulatory Surgical Care Services (ASC) CPT Code 29827	\$0.00	\$0.00
	ASC Services for CPT Code 29824	\$0.00	\$0.00
	ASC Services for CPT Code 29826	\$0.00	\$0.00
	ASC Services for HCPCS Codes C1713	\$4,809.20	\$0.00
	ASC Services for HCPCS Codes L8699	\$5,665.00	\$0.00

TOTAL		\$7,549.79	\$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 (DWC).

#### **Background**

1. 28 Texas Administrative Code (TAC) §133.307, effective May 31, 2012, sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.402, effective August 31, 2008, sets out the reimbursement guidelines for ambulatory surgical care services.
3. 28 TAC §133.10, sets out the required health care provider billing procedures.
4. The insurance carrier reduced/denied payment for the disputed services with the following claim adjustment reason codes:
  - 97-Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
  - 983-Charge for this procedure exceeds Medicare ASC schedule allowance.
  - 851-The allowance was adjusted in accordance with multiple procedure rules and/or guidelines.
  - 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.
  - 45-Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.
  - P12-Workers' compensation jurisdictional fee schedule adjustment.
  - 16-Claim/service lacks information which is needed for adjudication. Additional information is supplied using remittance advice remarks codes whenever appropriate.
  - W3-Additional payment made on appeal/reconsideration.
  - 1001-Based on the corrected billing and/or additional information/documentation now submitted by the provider, we are recommending further payment to be made for the above noted procedure code.
  - T113-Paid per invoice cost plus any applicable state markup.
  - NDOC-The documentation that was received does not provide enough detailed information to determine the appropriateness of the billed service/procedure.

#### **Issues**

Is the requestor due additional reimbursement ASC services rendered on February 19, 2020?

#### **Findings**

The requestor is seeking medical fee dispute resolution in the amount of \$7,549.79 for ASC services rendered on February 19, 2020.

The fee guideline for ASC services is found at 28 TAC §134.402.

The requestor sought separate reimbursement for the implantables; therefore, 28 TAC §134.402(f)(1)(B)(i)(ii) applies to this dispute.

28 TAC §134.402(f)(1)(B)(i)(ii) states,

The reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the Federal Register. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November

27, 2007 publication of the Federal Register, or its successor. The following minimal modifications apply:

(1) Reimbursement for non-device intensive procedures shall be: (B) if an ASC facility or surgical implant provider requests separate reimbursement for an implantable, reimbursement for the non-device intensive procedure shall be the sum of: (i) the lesser of the manufacturer's invoice amount or the net amount (exclusive of rebates and discounts) plus 10 percent or \$1,000 per billed item add-on, whichever is less, but not to exceed \$2,000 in add-on's percent.per admission; and (ii) the Medicare ASC facility reimbursement amount multiplied by 153.

A. CPT Code 29827:

Per Addendum AA code 29827 is a non-device intensive procedure.

The following formula was used to calculate the MAR:

The Medicare ASC reimbursement for code 29827 CY 2020 is \$2,803.36.

The Medicare ASC reimbursement is divided by 2 = \$1,401.68.

This number multiplied by the City Wage Index for Mansfield, Texas of 0.9792= \$1,372.52.

Add these two together = \$2,774.20.

To determine the MAR, multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 153% = \$4,244.53.

B. CPT Code 29824

Per Addendum AA code 29824 is a non-device intensive procedure.

The following formula was used to calculate the MAR:

The Medicare ASC reimbursement for code 29824 CY 2020 is \$1,286.26.

The Medicare ASC reimbursement is divided by 2 = \$643.13.

This number multiplied by the City Wage Index for Mansfield, Texas of 0.9792= \$629.75.

Add these two together = \$1,272.88.

To determine the MAR, multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 153% = \$1,947.50. CPT Code 29824 is subject to multiple procedure discounting of 50% = \$973.75.

C. CPT Code 29826

Per Addendum AA code 29826 is classified as "N1-Packaged service/item; no separate payment made."

Therefore, no reimbursement is recommended.

D. HCPCS Code C1713

HCPCS code C1713 is defined as "Anchor/screw for opposing bone-to-bone or soft tissue-to-bone (implantable)."

28 TAC §134.402(b)(5) states "Implantable" means an object or device that is surgically:

(A) implanted,

(B) embedded,

(C) inserted,

(D) or otherwise applied, and

(E) related equipment necessary to operate, program, and recharge the implantable."

The respondent denied reimbursement based upon a lack of documentation to support billed services.

The DWC reviewed the submitted documentation and finds:

- The Ortho/Plastic Chargeables and Implants report lists the implantable as “AR-2600SBS-4,” “AR-6564 X1,” “AR-13991N,” and “AR-6592-10-30.”
- Arthrex invoice does not list the items reported on the Ortho/Plastic Chargeables and Implants report.

The respondent’s denial of payment is supported because the documentation does not support billed service.

E. HCPCS code L8699

HCPCS code L8699 is defined as “Prosthetic implant, not otherwise specified.”

The respondent denied reimbursement based upon a lack of documentation to support billed services.

The DWC reviewed the submitted documentation and finds:

- The requestor noted on the bill that L8699 was billed for “ZZCYGNUS MAS AMNION PATCH AND ALLOGEN LIQUID ALLOGRAFT.”
- The CPM Medical Consultants, LLC report lists a different patient and doctor.
- The Operative report does not document the services billed with L8699 on it.

The respondent’s denial of payment is supported because the documentation does not support billed service.

The DWC finds the total due for ASC services rendered on February 19, 2020 is \$5,218.28. The respondent paid \$8,015.03. As a result, additional reimbursement is not recommended.

**Conclusion**

For the reasons stated above, the DWC finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

***ORDER***

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

**Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
06/15/2020  
Date

### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 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 DWC within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the 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 with the DWC. **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.**