



# 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**

GRAPEVINE SURGICARE PARTNERS

**Respondent Name**

TEXAS MUTUAL INSURANCE CO

**MFDR Tracking Number**

M4-20-2320-01

**Carrier's Austin Representative**

Box Number 54

**MFDR Date Received**

MAY 18, 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:** \$3,648.23

#### RESPONDENT'S POSITION SUMMARY

"GRAPEVINE SURGICARE PTNRS submitted their initial bill and requested 153% plus implant cost plus 10%. At the time of the audit, the provider did not include the implant certification per Rule 134.402(g)(B). An Appeal was received, the provider failed to include the implant certification...The provider submitted an implant certification with the DWC60 packet however date signed and certified is not consistent with dispute date of service. No additional payment."

**Response Submitted By:** Texas Mutual Insurance Co.

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
February 12, 2020	Ambulatory Surgical Care Services (ASC) CPT Code 23412	\$0.00	\$0.00
	ASC Services for CPT Code 29822	\$0.00	\$0.00
	ASC Services for HCPCS Codes C1713	\$3,762.10	\$0.00
TOTAL		\$3,648.23	\$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:
  - CAC-P12-Workers' compensation jurisdictional fee schedule adjustment.
  - CAC-16-Claim/service lacks information or has submission billing error(s) which is needed for adjudication.
  - 225-The submitted documentation does not support the service being billed. We will re-evaluate this upon receipt of clarifying information.
  - CAC-W3, 350-In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
  - CAC-193-Original payment decision is being maintained. Upon review, it was determined that his claim was processed properly.
  - DC4-No additional reimbursement allowed after reconsideration.
  - 892-Denied in accordance with DWC rules and/or medical fee guideline including current CPT code descriptions/instructions.
  - 764-Reimbursed per
  - ASC FG at 153%. Separate reimbursement for implantables (including signed certification) was requested per rule 134,402(G).

### **Issues**

Is the requestor due additional reimbursement for ASC services rendered on February 12, 2020?

### **Findings**

The requestor is seeking medical fee dispute resolution in the amount of \$3,648.23 for ASC services rendered on February 12, 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 23412

Per Addendum AA code 23412 is a non-device intensive procedure.

The following formula was used to calculate the MAR:

The Medicare ASC reimbursement for code 23412 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 Grapevine, 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 29822

Per Addendum AA code 29822 is a non-device intensive procedure.

The following formula was used to calculate the MAR:

The Medicare ASC reimbursement for code 29822 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 Grapevine, 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. 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 "892-Denied in accordance with DWC rules and/or medical fee guideline including current CPT code descriptions/instructions," "CAC-16-Claim/service lacks information or has submission billing error(s) which is needed for adjudication," and "225-The submitted documentation does not support the service being billed. We will re-evaluate this upon receipt of clarifying information."

The respondent wrote "At the time of the audit, the provider did not include the implant certification per Rule 134.402(g)(B). An Appeal was received, the provider failed to include the implant certification...The provider submitted an implant certification with the DWC60 packet however date signed and certified is not consistent with dispute date of service."

28 TAC §134.402(g)(1)(B) states,

A facility, or surgical implant provider with written agreement of the facility, may request separate reimbursement for an implantable. (1) The facility or surgical implant provider requesting reimbursement for the implantable shall: (B) include with the billing a certification that the amount billed represents the actual cost (net amount, exclusive of rebates and discounts) for the implantable. The certification shall include the following sentence: "I hereby certify under penalty of law that the following is the true and correct actual cost to the best of my knowledge," and shall be signed by an authorized representative of the facility or surgical implant provider who has personal knowledge of the cost of the implantable and any rebates or discounts to which the facility or surgical implant provider may be entitled.

The DWC reviewed the submitted documentation and finds the implant cost certification was dated April 17, 2020. The DWC finds the requestor did not support that the implant cost certification was included with the billing as required by 28 TAC §134.402(g)(1)(B); therefore, the respondent's denial of payment is supported.

The DWC finds the total due for ASC services rendered on February 12, 2020 is \$5,218.28. The respondent paid \$5,218.29. 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**

_____	_____	06/16/2020
Signature	Medical Fee Dispute Resolution Officer	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.**