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
IAN J. REYNOLDS, MD

Respondent Name
XL INSURANCE AMERICA INC.

MFDR Tracking Number
M4-20-2326-01

Carrier's Austin Representative
Box Number 19

MFDR Date Received
May 18, 2020

Response Submitted by:
Gallagher Bassett

REQUESTOR'S POSITION SUMMARY

"The insurance company denied the bill initially stating payer deems the information submitted does not support the level of service…. Services were provided to this patient the insurance company needs to pay Dr. Reynolds for his services. Insurance companies should not be allowed to determine the level of service provided, especially when they are not present during the exam. They need to pay the claim as submitted."

RESPONDENT'S POSITION SUMMARY

"The documents do not support the level of service billed by the provider."

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
October 16, 2019	CPT Code 99204	$332.00	$276.22

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Background

1. 28 Texas Administrative Code §133.307, effective May 31, 2012 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets out the reimbursement guidelines for professional services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 00086 – (18) Exact duplicate claim/service
   - 26K10 – Resolution manager denial
   - 150 – Payer deems the information submitted does not support this level of service
   - P12 – Workers' compensation jurisdictional fee schedule adjustment
   - P300 – The amount paid reflects a fee schedule reduction
   - Z710 – The charge for this procedure exceeds the fee schedule allowance
   - 2654 – This charge was reviewed through the clinical validation program

Issues

1. Is the insurance carrier's denial reason supported?
2. Is the requestor entitled to reimbursement?

Findings

1. The requestor seeks reimbursement in the amount of $332.00 for CPT Code 99204 rendered on October 16, 2019.

   The insurance carrier denied reimbursement for the office visit, CPT code 99204, based upon the submitted information does not support level of service.

   The fee guidelines for disputed CPT Code 99204 is found in 28 TAC §134.203.

   28 TAC §134.203(a)(5) states "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."

   CPT code 99204 is described as "Office or other outpatient visit for the evaluation and management of a new patient, which requires these 3 key components: A comprehensive history; A comprehensive examination; Medical decision making of moderate complexity. Counseling and/or coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate to high severity. Typically, 45 minutes are spent face-to-face with the patient and/or family."

   Review of the medical records finds that the requestor submitted sufficient documentation to support the billing of CPT code 99204 as a result, the requestor is entitled to reimbursement for the disputed service.

2. Per 28 TAC §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is $52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is $66.32. (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the DWC had been using this MEI annual percentage adjustment: The 2006 DWC conversion factor of $50.83 (except for surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the $51.90 (except for surgery) DWC conversion factor in 2007."

   To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR)).

   - The 2019 DWC conversion factor for this service is 59.19. The Medicare Conversion Factor is 36.0391
   - Review of medical bill, CMS-1500, Box 32 documents that the services were rendered in Friendswood, TX, which is in Galveston County.
   - The Medicare participating amount for code 99204 in Galveston County is $168.18.

   Using the above formula, the MAR is $276.22. The respondent paid $0.00. The DWC finds the requestor is due $276.22 reimbursement.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that reimbursement is due. As a result, the amount ordered is $276.22.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the division has determined the requestor is entitled to additional reimbursement for the disputed services. The division hereby ORDERS the respondent to remit to the requestor $276.22, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

Signature	Medical Fee Dispute Resolution Officer	June 10, 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, 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 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 MDR 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.