



# 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**

PAUL EDWARD KOBZA, DO

**MFDR Tracking Number**

M4-21-0310-01

**MFDR Date Received**

October 20, 2020

**Respondent Name**

HARTFORD CASUALTY INSURANCE COMPANY

**Carrier's Austin Representative**

Box Number 47

### **REQUESTOR'S POSITION SUMMARY**

"Regarding the mentioned claimant we received a denial on her surgery performed on 03/20/2020 with Carvel. The claim has been appealed 3 times each denial being provider is required to obtain Out of Network approval if not in network. The provider Dr. Paul Kobza is in network with Carvel, we needed to obtain only an Out of Network approval for the facility, which we did obtain prior to the date of service. Each appeal the approved authorization letters have been sent with the claim, and still denying. Our last phone call with Carvel was with the representative CJ, she told me that the Facility was the one that needed to obtain authorization and there was none on file. We confirmed approved auth with the preauth department with Carolyn. Billing directed me to TDI as they would not help me, look into the approved auth on file or verify Paul Kobza is in network . Please see all EOBS for each time processed, and both approval letters for the Out of Network Facility and procedure approval. Also, I would like to add that the facility Northwest Surgery Center Red Oak received payment for their claim on 04/28/2020 from Corvel, as the Out of Network approval was acknowledged on their claim."

### **RESPONDENT'S POSITION SUMMARY**

"CorVel maintains the requestor, Paul Edward Kobza, DO is not entitled to reimbursement for date of service 03/20/20 in the amount of \$8,221.42 based on failure to obtain out-of-network approval from the Texas CorCare Network prior to services being rendered in accordance with TIC Sec. 1305.103(e). Although the injured worker referenced above is an in-network employee the requestor, Paul Edward Kobza, DO is not, contracted or employed with CorVel as a certified network provider. To date CorVel has no record of an out-of-network request from the network treating doctor and/or Paul Edward Kobza, DO for approval by the CorVel Texas CorCare Network for out-of-network health care prior to services being rendered, by the requestor."

**Response Submitted by:** CorVel

### **SUMMARY DISPUTED SERVICES**

Date(s) of Service	Disputed Service(s)	Amount In Dispute	Amount Ordered
March 20, 2020	49585	\$8,221.42	\$0.00

### **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.

**Background**

1. 28 Texas Administrative Code (TAC) §133.307, sets out the procedures for resolving medical fee disputes.
2. 28 Texas Insurance Code Chapter 1305 applicable to Health Care Certified Networks.

3. The services in dispute were denied by the respondent with reason code(s)
  - 242 – Services not provided by network/primary care prov
  - NNP – Out-of-network approval not requested prior to rendering the services

**Issue**

1. Did the requestor obtain a referral from the certified network to treat the injured employee?
2. Is this dispute eligible for medical fee dispute resolution pursuant to 28 TAC §133.307?

**Findings**

The requestor filed this medical fee dispute with the Division requesting resolution pursuant to 28 TAC (TAC) §133.307 titled *MDR of Fee Disputes*. The authority of the Division of Workers’ Compensation is to apply the Texas Labor Code (TLC) statutes and rules, including 28 TAC §133.307 and is limited to the conditions outlined in the applicable portions of the Texas Insurance Code (TIC), Chapter 1305. In particular, TIC §1305.153 (c) provides that “Out-of-network providers who provide care as described by Section 1305.006 shall be reimbursed as provided by the Texas Workers’ Compensation Act and applicable rules of the commissioner of workers’ compensation.” The requestor therefore has the burden to prove that the condition(s) outlined in Texas Insurance Code §1305.006 were met in order to be eligible for dispute resolution. The following are the Division’s findings.

1. The services in dispute were denied with reduction code(s) 242 and NNP (description above). Texas Insurance Code Section 1305.006 requires, in pertinent part, that “(3) health care provided by an out-of-network provider pursuant to a referral from the injured employee’s treating doctor that has been approved by the network pursuant to Section 1305.103.” The requestor, therefore, has the burden to prove that it obtained the appropriate referral from the certified healthcare network for the out-of-network care it provided.

The requestor submitted a copy of a preauthorization letter for surgery to be performed by Northwest Surgery Center, by Dr. Paul Kobza. The Corvel “Approval Determination” letter dated, February 21, 2020, indicates Corvel Reference #: 150134309-UMO-1 Prospective” and approved the umbilical hernia repair with mesh.

Although the preauthorization letter supports pre-approval for the surgery, no documentation was submitted to support that the provider, Dr. Paul Kobza obtained an out-of-network referral to see the in-network patient prior to rendering the preauthorized treatment; thereby failing to meet the requirements of Texas Insurance Code Section 1305.006(3) and 1305.103.

2. The requestor failed to prove in this case that that the requirements of Texas Insurance Code Section 1305.006(3) and 1305.103 were met. Consequently, the services in dispute are not eligible for medical fee dispute resolution pursuant to 28 TAC §133.307.

***DECISION***

Based upon the documentation submitted by the parties, the Division has determined that this dispute is not eligible for resolution pursuant to 28 TAC §133.307.

**Authorized Signature**

Signature	Medical Fee Dispute Resolution Officer	November 18, 2020 Date
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***YOUR RIGHT TO APPEAL***

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