



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

Doctors Hospital at Renaissance

Respondent Name

Hidalgo County

MFDR Tracking Number

M4-21-0314-01

Carrier's Austin Representative

Box Number 21

MFDR Date Received

October 23, 2020

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "...diagnosis has been updated and corrected with the last corrected UB submitted on 06/092020 and was denied for duplicate."

Amount in Dispute: \$417.76

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: The Austin carrier representative for Hidalgo County is Thornton Biechlin Segrato Reynolds who was notified of this medical fee dispute on October 27, 2020. Rule §133.307(d)(1) states that if the division does not receive the response within 14 calendar days of the dispute notification, then the division may base its decision on the available information.

As of today, no response has been received from the carrier or its representative. We therefore base this decision on the information available as authorized under §133.307(d)(1).

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
December 26, 2019	Outpatient Hospital Services	\$417.76	\$417.76

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. The insurance carrier reduced or denied the payment for the disputed services with the following claim

adjustment codes:

- 261 - The procedure or service is inconsistent with the patient's history
- B22 – This payment is adjusted based on the diagnosis
- 18 – Exact duplicate claim/service

Issues

1. Is the insurance carrier's denial supported?
2. What is the applicable rule for determining reimbursement for the disputed services?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking reimbursement in the amount \$417.76 for outpatient hospital services rendered on December 26, 2019. The insurance carrier denied the disputed services based on the diagnosis.

28 Texas Administrative Code §133.305(b) states that if a dispute over the medical necessity of a covered work injury exists for the same service for which there is a medical fee dispute, the dispute regarding the medical necessity shall be resolved prior to the submission of a medical fee dispute.

Review of the documentation submitted by the parties finds that the carrier did not provide documentation to the Division to support that it filed a Plain Language Notice (PLN) regarding the disputed conditions as required by §133.307(d)(2)(H).

The carrier did not submit information to MFDR, sufficient to support that the PLN had ever been presented to the requestor or that the requestor had otherwise been informed of PLN prior to the date that the request for medical fee dispute resolution was filed with the Division; therefore, the division finds that the non-covered diagnosis/medical necessity was not timely presented to the requestor in the manner required by 28 TAC §133.240.

Because the service in dispute does not contain an unresolved medical necessity issue, this matter is ripe for adjudication of a medical fee under 28 Texas Administrative Code §133.307. The service in dispute will be reviewed based on the applicable fee guideline and rules.

2. 28 TAC §134.403 (d) requires Texas workers' compensation system participants when coding, billing, reporting and reimbursement to apply Medicare payment policies in effect on the date of service.

The Medicare payment policy applicable to the services in dispute is found at www.cms.gov, Claims processing Manual, Chapter 4, Section 10.1.1. Specifically, Payment Status Indicators and Ambulatory Payment Category (APC).

28 TAC 134.403 (f) states in pertinent part the reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the *Federal Register*. The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 143 percent when a separate request for implant reimbursement is not made and 130 percent when separate reimbursement for implants is made. Review of the submitted medical bill found implants are not applicable to this dispute.

The Medicare facility specific amount is calculated when the APC payment rate is multiplied by 60% to determine the labor portion. This amount is multiplied by the facility wage index for the date of service. The non-labor amount is determined when the APC payment rate is multiplied by 40%. The sum of the labor portion multiplied by the facility wage index and the non-labor portion determines the Medicare specific amount. Review of the submitted medical bill and the applicable fee guidelines referenced above is shown below.

- Procedure code 74176 has status indicator of S as packaging criteria does not apply. This code is assigned APC 5523. The OPPS Addendum A rate is \$230.56. This is multiplied by 60% for an

unadjusted labor amount of \$138.34, in turn multiplied by facility wage index 0.8433 for an adjusted labor amount of \$116.66.

The non-labor portion is 40% of the APC rate, or \$92.22.

The sum of the labor and non-labor portions is \$208.88.

The Medicare facility specific amount is \$208.88. This is multiplied by 200% for a MAR of \$417.76.

3. The total recommended reimbursement for the disputed services is \$417.76. The insurance carrier paid \$0.00. The amount due is \$417.76. This amount is recommended.

Conclusion

In resolving disputes over reimbursement for medically necessary health care to treat a compensable injury, the role of DWC is to adjudicate payment following Texas laws and DWC rules. The findings in this decision are based on the evidence available at the time of review. Even though not all the evidence was discussed, it was considered.

For the reasons above the requestor has established payment is due. As a result, the amount ordered is \$417.76.

ORDER

In accordance with Texas Labor Code Section 413.031 and 413.019 (if applicable) and based on the submitted information, DWC finds the requestor is entitled to additional reimbursement. DWC hereby ORDERS the respondent to remit to the requestor \$417.76 plus accrued interest per Rule §134.130, due within 30 days of receipt of this order.

Authorized Signature

_____	_____	February 25, 2021
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 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.