



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Azalea Orthopedic & Sports Medicine

**Respondent Name**

Wcf National Insurance Co.

**MFDR Tracking Number**

M4-21-1654-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

June 17, 2021

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
February 25, 2021	CPT Code 64690-50	\$1,380.00	\$341.10
	CPT Code 64491-50	\$690.00	\$193.99
	CPT Code 72040-26	\$110.00	\$23.93
<b>Total</b>		<b>\$2,180.00</b>	<b>\$559.02</b>

### Requestor's Position

"It is unnecessary to require copies of imaging to process this claim as the imaging taken has been notated and all documentation guidelines have been met."

**Amount in Dispute:** \$2,180.00

### Respondent's Position

"We will provide a supplemental response once the bill auditing company has finalized their review."

**Response Submitted by:** Gallagher Bassett



## Findings and Decision

### Authority

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

### Statutes and Rules

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.203, sets out the fee guidelines for reimbursement of professional medical services provided in the Texas workers' compensation system.

### Denial Reasons

The insurance carrier denied the payment for the disputed services with the following claim adjustment codes:

- 00202, B13-Previously paid. Payment for this claim/service may have been provided in a previous payment.
- 247-A payment or denial has already been recommended for this service.
- 00137, 97-Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- 300-An allowance has been made for a bilateral procedure.
- 00535-An attachment/other documentation is required to adjudicate this claim/service.
- 252-An attachment/other documentation is required to adjudicate this claim service.
- P12-Workers' compensation jurisdictional fee schedule adjustment.
- 5399-Documentation does not include a copy of the images, or a statement that images have been recorded, or that equipment cannot store images.
- 298-The recommended allowance is based on the value of the professional component of the service performed.
- 00563, 193-Original payment decision is being maintained. Upon review, it was determined that his claim was processed properly.
- 4063-Reimbursement is based on the physician fee schedule when a professional service was performed in the facility setting.

### Issues

1. Is Wcf National Insurance Company's denial based on missing attachment or documentation to adjudicate the claim supported?
2. Is Wcf National Insurance Company's denial based on unbundling supported?
3. Is Azalea Orthopedic and Sports Medicine entitled to reimbursement?

## Findings

1. The requestor is seeking medical fee dispute resolution in the amount of \$2,180.00 for CPT codes 64490-50, 64491-50 and 72040-26 rendered on February 25, 2021.

To determine if the disputed services are eligible for reimbursement the DWC refers to the following statute:

- 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."
- 28 TAC §134.203(b)(1) states, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."

The disputed services are described as:

- 64490- Injection(s), diagnostic or therapeutic agent, paravertebral facet (zygapophyseal) joint (or nerves innervating that joint) with image guidance (fluoroscopy or CT), cervical or thoracic; single level.
- 64491- Injection(s), diagnostic or therapeutic agent, paravertebral facet (zygapophyseal) joint (or nerves innervating that joint) with image guidance (fluoroscopy or CT), cervical or thoracic; second level (List separately in addition to code for primary procedure).
- 72040- Radiologic examination, spine, cervical; 2 or 3 views.

CPT codes 64490-50 and 64491-50:

The respondent denied reimbursement based upon reason codes "00535," "252," "5399," and "P12." (code description listed above)

Review of the Procedure Note report supports claimant underwent a "Cervical Medial Branch Block ...Third occipital nerve, C3, and C4, bilateral" therefore, the respondent's denial of payment is not supported and reimbursement per the fee guideline is recommended.

2. The respondent denied reimbursement for CPT code 72040-26 based upon reason codes "00137," "97," and "P12," (description listed above)

Per CCI edits, CPT code 72040 is not bundled to codes 64490 and 64491; therefore, the respondent's denial is not supported.

The DWC finds the respondent did not support denial of payment; therefore, the requestor is due reimbursement.

3. 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 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) DWC conversion factor in 2007."

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

The requestor noted on the CMS-1500 the Place of Service was "22" for an On Campus-Outpatient Hospital."

The 2021 DWC Conversion Factor is 76.76

The 2021 Medicare Conversion Factor is 34.8931

Per the CMs 1500, the services were rendered in Tyler, TX; therefore, the Medicare locality is "Rest of Texas".

Using the above formula, the DWC finds the MAR is:

Code	Medicare Participating Amount	MAR is for Bilateral Procedure	Insurance Carrier Paid	Amount Due
64490-50	\$103.37	\$341.10	\$0.00	\$341.10
64491-50	\$167.64	\$193.99	\$0.00	\$193.99
72040-26	\$36.80	\$23.93	\$0.00	\$23.93

### Conclusion

The outcome of this medical fee dispute is based on the evidence presented by the requestor and the respondent at the time of adjudication. Though all evidence may not have been discussed, it was considered.

DWC finds the requester has established that reimbursement of \$559.02 is due.

## Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to reimbursement for the disputed services. It is ordered that Wcf National Insurance Co. must remit to Azalea Orthopedic & Sports Medicine \$559.02 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### Authorized Signature

_____	_____	10/01/2021
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 under 28 TAC §133.307, which applies to disputes filed on or after **June 1, 2012**.

A party seeking review must submit DWC Form-045M, *Request to Schedule, Reschedule, or Cancel a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (BRC-MFD)* and follow the instructions on the form. You can find the form at [www.tdi.texas.gov/forms/form20numeric.html](http://www.tdi.texas.gov/forms/form20numeric.html). DWC must receive the request within **20 days** of when you receive this decision. You may fax, mail, or personally deliver your request to DWC using the contact information on the form or the field office handling the claim. If you have questions about DWC Form-045M, please call CompConnection at 1-800-252-7031, option 3 or email [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).

The party seeking review of the MFDR decision must deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with DWC. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** with any other required information listed in 28 TAC §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 1-800-252-7031, opción 3 o correo electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).