



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

MISSION HOSPITAL

Respondent Name

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK

MFDR Tracking Number

M4-21-1855-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

June 17, 2021

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Per EOB expected reimbursement was partially paid stating services are bundles. When a Q1 status indicator is paired with a J2 status indicator on the bill the service should be paid separately in accordance with the TX WC outpatient guidelines. Payment should be made at FS/EXR * 200%. Please review and submit remaining balance due."

Amount in Dispute: \$698.30

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The provider is requesting additional payment for outpatient x-rays. The provider's June 17, 2021 To Whom It May Concern letter includes a comment that partial payment had been made on the basis that the services were bundled. The provider goes on to indicate that when a Q1 status indicator is paired with a J2 status indicator, the service should be paid separately. However, the provider also billed codes 29505 and 29515 which has a payment status indicator of 2 and Q1 services which are packaged with STV - packaged codes. We are attaching a copy of the explanation when Q1 service are packaged with STV - packages codes.

We are attaching a copy of the provider's UB-04, the carrier EOB in response to it dated November 5, 2020, the provider's second UB-94 and the carrier's EOB in response to it dated December 23, 2020. The provider is not entitled to any additional payment."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: September 21, 2020, Outpatient Hospital Services, \$698.30, \$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.

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 acute care hospital fee guideline for outpatient services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 370 – THIS HOSPITAL OUTPATIENT ALLOWANCE WAS CALCULATED ACCORDING TO THE APC RATE, PLUS A MARKUP
 - 59 – PROCESSED BASED ON MULTIPLE OR CONCURRENT PROCEDURE RULES
 - 615 – PAYMENT FOR THIS SERVICE HAS BEEN REDUCED ACCORDING TO THE MEDICARE MULTIPLE SURGEY GUIDELINES
 - 616 – THIS CODE HAS A STATUS Q APC INDICATOR AND IS PACKAGED INTO OTHER APC CODES THAT HAVE BEEN IDENTIFIED BY CMS
 - 97 – THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED
 - P12 – WORKERS COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT

Issues

1. What is the applicable rule for determining reimbursement for the disputed services?
2. What is the recommended payment for the services in dispute?
3. Is the requestor entitled to additional reimbursement?

Findings

1. This dispute regards outpatient hospital services with reimbursement subject to the division's *Hospital Facility Fee Guideline—Outpatient*, at 28 Texas Administrative Code §134.403, which requires the maximum allowable reimbursement (MAR) be calculated using the Medicare facility specific amount (including outlier payments) as determined by the applicable Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors, published annually in the Federal Register, with modifications as set forth in the rules.

Rule §134.403(f)(1) requires that the sum of the Medicare facility specific amount and any applicable outlier payment be multiplied by 200 percent, unless a facility or surgical implant provider requests separate payment of implantables. Review of the submitted documentation finds that separate reimbursement for implantables was not requested.

2. Medicare's Outpatient Prospective Payment System (OPPS) assigns an Ambulatory Payment Classification (APC) for billed services based on procedure codes and supporting documentation. The APC determines the payment rate. Hospitals may be paid for more than one APC per encounter. Payment for ancillary items and for services without procedure codes is packaged into the APC payment. The Centers for Medicare and Medicaid Services (CMS) publishes quarterly lists of APC rates in the OPPS final rules, available from www.cms.gov.

Reimbursement for the disputed services is calculated as follows:

- Procedure code 73552 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V. This code is paid separately only if OPPS criteria are met.
- Procedure code 73562 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V. This code is paid separately only if OPPS criteria are met.
- Procedure code 73590 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V. This code is paid separately only if OPPS criteria are met.
- Procedure code 73610 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V. This code is paid separately only if OPPS criteria are met.
- Procedure code 29505 has status indicator T, for procedures subject to multiple-procedure reduction. The highest paying status T unit is paid at 100%; all others at 50%. This code is paid at 100%. This code is assigned APC 5101. The OPPS Addendum A rate is \$133.74. This is multiplied by

60% for an unadjusted labor amount of \$80.24, in turn multiplied by facility wage index 0.8433 for an adjusted labor amount of \$67.67. The non-labor portion is 40% of the APC rate, or \$53.50. The sum of the labor and non-labor portions is \$121.17. The cost of services does not exceed the threshold for outlier payment. The Medicare facility specific amount is \$121.17. This is multiplied by 200% for a MAR of \$242.34.

- Procedure code 29515 has status indicator T, for procedures subject to multiple-procedure reduction. The highest paying status T unit is paid at 100%; all others at 50%. This code is paid at 50%. This code is assigned APC 5101. The OPPS Addendum A rate is \$133.74. This is multiplied by 60% for an unadjusted labor amount of \$80.24, in turn multiplied by facility wage index 0.8433 for an adjusted labor amount of \$67.67. The non-labor portion is 40% of the APC rate, or \$53.50. The sum of the labor and non-labor portions is \$121.17. The cost of services does not exceed the threshold for outlier payment. The Medicare facility specific amount (including multiple-procedure reduction) is \$60.59. This is multiplied by 200% for a MAR of \$121.18.
- Procedure code 99285 has status indicator J2, for outpatient visits (subject to comprehensive packaging if 8 or more hours observation billed). This code is assigned APC 5025. The OPPS Addendum A rate is \$504.51. This is multiplied by 60% for an unadjusted labor amount of \$302.71, in turn multiplied by facility wage index 0.8433 for an adjusted labor amount of \$255.28. The non-labor portion is 40% of the APC rate, or \$201.80. The sum of the labor and non-labor portions is \$457.08. The cost of services does not exceed the threshold for outlier payment. The Medicare facility specific amount is \$457.08. This is multiplied by 200% for a MAR of \$914.16.

3. The total recommended reimbursement for the disputed services is \$1,277.68. The insurance carrier paid \$1,350.42. Additional payment is not recommended.

Conclusion

In resolving disputes regarding the amount of payment due for health care determined to be medically necessary and appropriate for treatment of a compensable injury, the role of the division is to adjudicate the payment, given the relevant statutory provisions and division rules.

The Division would like to emphasize that the findings and decision in this dispute are based on the evidence presented by the requestor and respondent available at the time of review. Even though all the evidence was not discussed, it was considered.

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

July 22, 2021

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 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 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 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.