



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Paris Regional Medical Center

**Respondent Name**

Service Lloyds Insurance Co

**MFDR Tracking Number**

M4-22-0066-01

**Carrier's Austin Representative**

Box Number 1

**DWC Date Received**

September 16, 2021

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 9, 2021	Rev Codes: 250-636	\$2,414.52	\$0.00
<b>Total</b>		\$2,414.52	\$0.00

### Requestor's Position

Submitted documentation does not include a position statement from the requestor. Accordingly, this decision is based on the information available at the time of adjudication.

**Amount in Dispute:** \$2,414.52

### Respondent's Position

The previous review is being maintained (payment of \$1527.77) and no additional allowance is recommended as the Payment Adjustor Factor was applied in accordance with the DWC guidelines \$1,797.38 less Network reduction of \$269.61 total allowance \$1,527.77.

**Response Submitted by:** Mitchel International, Inc

## 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 TAC §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.403 sets out the fee guidelines for outpatient hospital services.

### Denial Reasons

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

- 131 – Claim specific negotiated discount
- 236 – This procedure or procedure/modifier combination is not compatible with another procedure or procedure/modifier combination provided on the same day according to the NCCI or workers' compensation state regulations/fee schedule requirements
- 370 – This hospital outpatient allowance was calculated according to the APC rate, plus a markup
- 435 – Per NCCI edits, the value of this procedure is included in the value of the comprehensive procedure
- 97 – The benefit for this service is included in the payment/allowances for another service/procedure that has already been adjudicated

### Issues

1. Is the insurance carrier's reduction supported?
2. Is the insurance carriers' denial supported?
3. What rule applies for determining reimbursement for the disputed services?
4. Is the requester entitled to additional reimbursement?

### Findings

1. The insurance carrier states the claim was reduced based on a contract. Insufficient evidence was found to support the injured worker was enrolled in a certified network. This reduction will not be considered in this review.

2. The requestor is seeking additional reimbursement of outpatient hospital services rendered in March 2021. The insurance carrier denied Code 96374 based on the NCCI edits. DWC Rule 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.

Review of the applicable NCCI edits found an edit exists between Code 96374 and Code 99285. The insurance carrier's denial is supported. No additional payment for this code is recommended.

3. The remaining disputed services will be reviewed per applicable fee guidelines. The Medicare payment policy applicable to the services in dispute is found at [www.cms.gov](http://www.cms.gov), Claims processing Manual, Chapter 4, Section 10.1.1. Specifically, Payment Status Indicators and Ambulatory Payment Category (APC).

DWC Rule 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 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 72131 and 72192 have status indicator Q3. These are comprehensive codes assigned APC 8005. The OPPS Addendum A rate is \$224.33. This is multiplied by 60% for an unadjusted labor amount of \$134.60, in turn multiplied by facility wage index 0.9655 for an adjusted labor amount of \$129.96.

The non-labor portion is 40% of the APC rate, or \$89.73.

The sum of the labor and non-labor portions is \$219.69.

The Medicare facility specific amount is \$219.69 multiplied by 200% for a MAR of \$439.98.

- Procedure code 99285 is assigned a J2 status indicator when billed with eight hours or more of observation. The criteria for comprehensive observation is not met.

This code is assigned APC 5025 with a status indicator of V. The OPPS Addendum A rate is \$522.12. This is multiplied by 60% for an unadjusted labor amount of \$313.27, in turn multiplied by facility wage index 0.9655 for an adjusted labor amount of \$302.46.

The non-labor portion is 40% of the APC rate, or \$208.85.

The sum of the labor and non-labor portions is \$511.31.

The Medicare facility specific amount is \$511.31 multiplied by 200% for a MAR of \$1,022.62.

- Procedure code J1170 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J1885 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J2360 has status indicator N reimbursement is included with payment for the primary services.

4. The total recommended reimbursement for the disputed services is \$1,462.00. The insurance carrier paid \$1,522.77. Additional payment is not recommended.

### 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 not established that additional reimbursement is due.

## **Order**

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is [not] entitled to additional reimbursement for the disputed services.

### **Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

October 29, 2021

\_\_\_\_\_  
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).