



Medical Fee Dispute Resolution Findings and Decision General Information

Requestor Name

JANNIE TANG

Respondent Name

ZURICH AMERICAN INSURANCE COMPANY

MFDR Tracking Number

M4-22-0142-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

September 23, 2021

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 6, 2021	01620-QK-P3	\$11.62	\$0.00
Total		\$11.62	\$0.00

Requestor's Position

"Per EOB expected reimbursement was partially paid. Per the TX WC guidelines for anesthesia the calculation is: (Quantity Billed / Time Divisor) + basic unit x conversion factor. Please review and submit remaining balance due. $33 \text{ units} / 15 = 2.2 + 4 + 1(P3) = 7.2 \times 61.17 = 440.42 \times 50\% = \220.21 ."

Amount in Dispute: \$11.62

Respondent's Position

"The date of service was January 6, 2021. The anesthesia conversion factor at that time was 61.17. Physical status modifiers are not recognized by Medicare. The Q 12 modifier is allowed 50% of the fee schedule. The time units of 33 units divided by 15 equals 2.2 plus a base unit of 4 equals 6.2. Following that, 6.2 multiplied by the anesthesia conversion factor of 61.17 equals \$379.25. That number multiplied by 50% equals \$189.63 plus 10% HPSA equals \$208.59.

It is the carrier's position that the provider has been paid pursuant to the Medical Fee Guidelines and is not entitled to any additional reimbursement."

Response Submitted by: Flahive, Ogden & Latson

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 (TAC) §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.203 sets out the reimbursement guidelines for professional medical services.

Denial Reasons

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

- 144 – Incentive adjustment, e.g. preferred product/service.
- P12 – workers' compensation jurisdictional fee schedule adjustment.
- W3 – In accordance with TDI-DWC Rule 134.804. This bill has been identified a request for reconsideration or appeal. No allowance change.

Issues

1. Is the Insurance Carrier's denial reason supported?
2. Is the Requestor entitled to additional reimbursement?

Findings

1. The requestor seeks an additional payment in the amount of \$11.62 for CPT Code 01620-QK-P3 rendered on January 6, 2021.

The insurance carrier paid the requestor the amount of \$208.59 based upon the fee schedule.

The fee guideline for the disputed services is 28 TAC §134.203.

- 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."

- 28 TAC §134.203(c)(1) states, "...To determine to MAR for professional services, system participants shall apply the Medicare payment policies with minimal modification...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 \$53.68..."

The requestor billed the disputed anesthesiology service using the "QK" modifier that is described as "Medical direction of 2, 3 or 4 concurrent anesthesia procedures involving qualified individuals."

The requestor billed with modifier "P3" defined as "Severe systemic disease." Modifiers P1- P6 are considered "Anesthesia Physical Status Modifiers" The modifiers are informational only and do not affect payment.

Per the CMS Manual Pub 100-04 Medicare Claims Processing Transmittal 2452, states, "Modifier QA and QY result in physician payment at 50% of the allowed amount."

2. To determine the MAR the following formula is used: (Time units + Base Units) X Conversion Factor = Allowance.

The DWC reviewed the submitted anesthesia was started at 07:44 and ended at 08.17, for a total of 33 minutes.

Per Medicare Claims Processing Manual, Chapter 12, Physicians/ Nonphysician Practitioners, Payment for Anesthesiology Services Section (50)(G), effective January 1, 2017 states, "Actual anesthesia time in minutes is reported on the claim. For anesthesia services furnished, the A/B MAC computes time units by dividing reported anesthesia time by 15 minutes. Round the time unit to one decimal place."

Therefore, the requestor has supported $33/15 = 2.2$

The base unit for CPT code 01620 is 4.

The 2021 DWC Conversion Factor is \$61.17.

Using the above formula, the MAR for CPT 01620-QK-P3 is $2.2 + 4 = 6.2 \times 61.17 = \$379.25 \times 50\%$ for QK = \$189.63.

The Centers for Medicare & Medicaid Services (CMS) pays a 10 percent bonus when you deliver Medicare-covered services to patients in a geographic HPSA. The Requestor is in a HPSA area as a result is entitled to an additional 10% reimbursement.

The MAR is \$208.59, the insurance carrier paid \$208.59. As a result, additional reimbursement cannot be 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.

The DWC finds the requester has not established that additional reimbursement of \$11.62 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

_____	_____	October 29, 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. 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.

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.