



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Texas Orthopedics Sports & Rehabilitation

Respondent Name

Service Lloyds Insurance Co.

MFDR Tracking Number

M4-22-0305-01

Carrier's Austin Representative

Box Number 01

DWC Date Received

October 14, 2021

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 19, 2021	CPT Code 99204	\$510.00	\$298.78
Total		\$510.00	\$298.78

Requestor's Position

"Coding descriptors for 2021 have been revised and a visit is no longer required to have 3 key components and documented reference to face-to-face time spent. The E/M service must now include a 'medically appropriate history and/or examination' with the selection of the CPT code based on MDM level or the total time spent on that date of service. Based on the updated coding guidelines outlined by the AMA this visit has a medically appropriate history and examination with moderate medical decision making constituting the necessity to bill 99204."

Amount in Dispute: \$510.00

Respondent's Position

"The billed new patient code 99204, which requires a moderate level of medical decision making,

but documents supports for low complexity. So, denial is upheld as insufficient medical document. No changes are made and no additional payment is made.”

Response Submitted by: Mitchell

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, effective March 1, 2008, sets out the reimbursement guidelines for professional services.

Denial Reasons

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

- P12-Workers’ compensation jurisdictional fee schedule adjustment.
- 790-This charge was reimbursed in accordance to the Texas medical fee guideline.
- 16-Claim/service lacks information or has submission billing error(s).
- 205-This charge was disallowed as additional information/definition is required to clarify service/supply rendered.
- W3-In accordance with TDI-DWC rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- 350-Bill has been identified as a request for reconsideration or appeal.

Issues

1. Is Service Lloyds Insurance Company’s denial based on the documentation does not support level of service billed supported?
2. Is Texas Orthopedics, Sports and Rehabilitation entitled to reimbursement?

Findings

1. The requestor is seeking medical fee dispute resolution in the amount of \$510.00 for CPT code 99204 rendered on January 19, 2021.

The respondent denied reimbursement based upon reason codes "16-Claim/service lacks information or has submission billing error(s)," and "205-This charge was disallowed as additional information/definition is required to clarify service/supply rendered."

The fee guidelines for disputed services are found in 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."

CPT code 99204 is described as, "Office or other outpatient visit for the evaluation and management of a new patient, which requires a medically appropriate history and/or examination and a moderate level of medical decision making. When using time for code selection, 45-59 minutes of the total time is spent on the date of the encounter."

According to CMS, Medicare Learning Network, MLN006764, a problem is considered of moderate complexity if it contains any one of the following:

- 1 or more chronic illnesses with exacerbation, progression or side effects of treatment
- 2 or more stable chronic illnesses
- 1 undiagnosed new problem with an uncertain prognosis
- 1 acute illness with systematic symptoms
- 1 acute complicated injury

The division finds the submitted report supports billing code 99204, [redacted]; therefore, reimbursement is recommended per the fee guideline.

2. 28 TAC §134.203(c)(1) states "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."

28 TAC §134.203(c)(2) states "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 Division had been using this MEI annual percentage adjustment: The 2006 Division 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) Division 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 DWC conversion factor for 2021 is 61.17.
- The Medicare conversion factor for 2021 is 34.8931.

- Review of Box 32 on the CMS-1500 finds that the services were rendered in zip code 78759 which is located in Austin, Texas; therefore, the Medicare locality is "Austin, Texas."
- The carrier code for Texas is 4412 and the locality code for Austin is 31.
- The Medicare participating amount for CPT code 99204 at this locality is \$170.43.

Using the above formula, the MAR is \$298.78. The respondent paid \$0.00. The difference between MAR and amount paid is \$298.78.

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 \$298.78 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 Service Lloyds Insurance Co. must remit to Texas Orthopedics, Sports and Rehabilitation \$298.78 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

11/09/2021

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. 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.