



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Baylor Surgicare at Plano Parkway

Respondent Name

Texas Mutual Insurance Co.

MFDR Tracking Number

M4-22-0678-01

Carrier's Austin Representative

Box Number 54

DWC Date Received

December 8, 2021

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 5, 2021	Ambulatory Surgical Care Services, (ASC), CPT Code 25608	\$2,655.43	\$0.00
	ASC HCPCS Code C1713	\$944.47	\$0.00
Total		\$3,649.90	\$0.00

Requestor's Position

"At this time we are requesting that this claim paid in accordance with the 2021 Texas Workers Compensation Fee Schedule and Guidelines for Ambulatory Surgical Centers."

Amount in Dispute: \$3,649.90

Respondent's Position

"Audit is consistent with Rule 134.402-Ambulatory Surgical Center Fee Guideline. No additional payment."

Response Submitted by: Texas Mutual Insurance Co.

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 §134.402, sets out the fee guidelines for ambulatory surgical care services.

Denial Reasons

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

- CAC-P12-Workers' compensation jurisdictional fee schedule adjustment.
- 790-This charge was reimbursed in accordance to the Texas medical fee guideline.
- CAC-193-Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- CAC-W3, 350-In accordance with TDI-DWC rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- DC4-No additional reimbursement allowed after reconsideration.
- D25-Approved non-network provider for Workwell. TX Network claimant per rule 1305.153(C).
- 763-Paid per ASC FG at 235%; implants not applicable or separate reimbursement (w/signed cert) not requested: Rule 134.402(G).

Issues

1. Is Texas Mutual Insurance Company's denial based on the implants being bundled to other service supported?
2. Is Baylor Surgicare at Plano Parkway entitled to additional reimbursement for CPT code 25608?

Findings

1. The requestor is seeking dispute resolution in the amount of \$3,649.90 for ASC services related to CPT code 25608 and HCPCS Code C1713 rendered on August 5, 2021.

The respondent contends the requestor is not entitled to separate reimbursement for HCPCS code C1713 because the requestor did not request separate reimbursement per the fee guideline.

The fee guideline for ASC services is found in 28 TAC §134.402.

28 TAC §134.402(f)(2)(B) states,

The reimbursement calculation used for establishing the MAR shall be the

Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the Federal Register. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November 27, 2007 publication of the Federal Register, or its successor. The following minimal modifications apply: (2) Reimbursement for device intensive procedures shall be: (B) If an ASC facility or surgical implant provider requests separate reimbursement for an implantable, reimbursement for the device intensive procedure shall be the sum of: (i) the lesser of the manufacturer's invoice amount or the net amount (exclusive of rebates and discounts) plus 10 percent or \$1,000 per billed item add-on, whichever is less, but not to exceed \$2,000 in add-on's per admission; and (ii) the ASC service portion multiplied by 235 percent.

28 TAC §133.10(f)(1)(W) states,

All information submitted on required paper billing forms must be legible and completed in accordance with this section. The parenthetical information following each term in this section refers to the applicable paper medical billing form and the field number corresponding to the medical billing form. (1)The following data content or data elements are required for a complete professional or non-institutional medical bill related to Texas workers' compensation health care: (W) supplemental information (shaded portion of CMS-1500/field 24d - 24h) is required when the provider is requesting separate reimbursement for surgically implanted devices or when additional information is necessary to adjudicate payment for the related service line."

A review of the submitted medical bill finds the requestor did not indicate on fields 24d-24h a request for separate reimbursement for the implantables. The DWC concludes the requestor did not comply with 28 TAC §133.10(f)(1)(W) for requesting separate reimbursement for implantables; therefore, the respondent's denial of payment for HCPCS code C1713 is supported.

2. Per Addendum AA, CPT codes 25608 is a device intensive procedure.

28 TAC §134.402(f)(2)(A)(i)(ii) states,

The reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the *Federal Register*. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November 27, 2007 publication of the *Federal Register*, or its successor. The following minimal modifications apply: (2) Reimbursement for device intensive procedures shall be: B) If an ASC facility or surgical implant

provider requests separate reimbursement for an implantable, reimbursement for the device intensive procedure shall be the sum of: (i) the lesser of the manufacturer's invoice amount or the net amount (exclusive of rebates and discounts) plus 10 percent or \$1,000 per billed item add-on, whichever is less, but not to exceed \$2,000 in add-on's per admission; and (ii) the ASC service portion multiplied by 235 percent.

The following formula was used to calculate the MAR:

- Step 1 calculating the device portion of the procedure:

The national reimbursement is found in the Addendum B for National Hospital Outpatient Prospective Payment System (OPPS) code 25608 for CY 2021 = \$6,264.95.

The device dependent APC offset percentage for National Hospital OPPS found in Addendum P for code 25608 for CY 2021 is 43.40%

Multiply these two = \$2,718.99.

- Step 2 calculating the service portion of the procedure:

Per Addendum AA, the Medicare ASC reimbursement rate for code 25608 for CY 2021 is \$4,204.60.

This number is divided by 2 = \$2,102.30.

This number multiplied by the City Wage Index for Plano, Texas of 0.9744 = \$2,048.48.

The sum of these two is the geographically adjusted Medicare ASC reimbursement = \$4,150.78.

The service portion is found by taking the geographically adjusted rate minus the device portion = \$1,431.79.

Multiply the service portion by the DWC payment adjustment of 235% = \$3,364.71.

The DWC finds the MAR for CPT code 25608 is \$6,083.70. The respondent paid \$6,273.59 for ASC services rendered on August 5, 2021. As a result, additional reimbursement 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	12/29/2021 Date
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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, **option 3 or email** CompConnection@tdi.texas.gov.