



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Denton Surgicare LTD

Respondent Name

TPS Joint Self Ins Funds

MFDR Tracking Number

M4-22-0733-01

Carrier's Austin Representative

Box Number 53

DWC Date Received

December 15, 2021

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 20, 2021	Ambulatory Surgical Care Services, (ASC), CPT Code 25609	\$2,895.97	\$0.00
	ASC HCPCS Code C1713	\$328.40	\$0.00
Total		\$3,224.37	\$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: \$3,224.37

Respondent's Position

"...no additional allowance recommended as the device intensive procedure was correctly reimbursed during original review and then reimbursement for the implantables made after receiving the invoices with the initial reconsideration."

Response Submitted by: Novacare, LLC

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:

- P12-Workers' compensation jurisdictional fee schedule adjustment.
- 16-Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
- 295-Service cannot be reviewed without report or invoice. Please submit report/invoice as soon as possible to ensure accurate processing.
- 97-Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- 983-Charge for this procedure exceeds Medicare ASC schedule allowance.
- 4123-Allowance is based on Texas ASC device intensive procedure calculation and guidelines.
- 4915-The charge for the services represented by the code is included/bundled into the total facility payment and does not warrant a separate payment or the payment status indicator determines the service is packaged or excluded from payment.
- W3-Additional payment made on appeal/reconsideration
- 2005-No additional reimbursement allowed after review of appeal/reconsideration.

Issues

1. Is TPS Joint Self Insurance Funds' denial of payment or implantables based on unbundling supported?
2. Is Denton Surgicare, LTD entitled to additional reimbursement for HCPCS code C1713?
3. Is Denton Surgicare, LTD entitled to additional reimbursement for CPT code 25609?

Findings

1. The requestor is seeking dispute resolution in the amount of \$3,224.37 for ASC services related to CPT code 25609 and HCPCS Code C1713 rendered on April 20, 2021.

The respondent initially denied reimbursement for HCPCS codes C1713 based upon reason codes "97," "16," "295," and "4915." Upon reconsideration the respondent paid \$3,284.00 for code C1713.

The DWC finds that based upon the initial denial and the subsequent payment of C1713, the respondent did not maintain the denial based upon "97," "16," "295," and "4915."

2. The fee guidelines for disputed services is found in 28 TAC §134.402.

28 TAC §134.402(b)(5) states "Implantable" means an object or device that is surgically:

- (A) implanted,
- (B) embedded,
- (C) inserted,
- (D) or otherwise applied, and
- (E) related equipment necessary to operate, program, and recharge the implantable."

A review of the submitted documentation finds the requestor submitted A Delivered Goods Form from Acumed, LLC but did not submit a copy of the implant record to support which implants were billed with code C1713; therefore, additional reimbursement is not recommended.

3. Per Addendum AA, CPT codes 25609 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 25609 for CY 2021 = \$6,264.95.

The device dependent APC offset percentage for National Hospital OPPS found in Addendum P for code 25609 for CY 2021 is 44.29%

Multiply these two = \$2,774.75.

- Step 2 calculating the service portion of the procedure:

Per Addendum AA, the Medicare ASC reimbursement rate for code 25609 for CY 2021 is \$4,222.95.

This number is divided by 2 = \$2,111.48.

This number multiplied by the City Wage Index for Denton, Texas of 0.9744 = \$2,057.42.

The sum of these two is the geographically adjusted Medicare ASC reimbursement = \$4,168.90.

The service portion is found by taking the geographically adjusted rate minus the device portion = \$1,394.15.

Multiply the service portion by the DWC payment adjustment of 235% = \$3,276.25.

The DWC finds the MAR for CPT code 25609 is \$3,276.25. The respondent paid \$3,482.45. 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

_____	_____	12/29/2021
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, **option 3 or email** CompConnection@tdi.texas.gov.