

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Physicians Surgical Center

Respondent Name

Charter Oak Fire Insurance Co.

MFDR Tracking Number

M4-22-1460-01

Carrier's Austin Representative

Box Number 05

DWC Date Received

March 16, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 3, 2022	Ambulatory Surgery Center (ASC) Services – CPT 63650	\$7,950.33	\$246.54
	ASC Services – CPT 63650-59		
	ASC Services – HCPCS C1897		

Requestor's Position

At this time we are requesting that this claim paid in accordance with the 2022 Texas Workers Compensation Fee Schedule and Guidelines for Ambulatory Surgical Centers.

Amount in Dispute: \$7,950.33

Respondent's Position

The Carrier has reviewed the documentation and contends the Provider has been reimbursed at the appropriate amount. The Carrier has reviewed the Maximum Allowable Reimbursement Calculation and contends the reimbursement is correct as calculated.

Response Submitted by: Travelers

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

Denial Reasons

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

- P12 – Workers' compensatin jurisdictional fee schedule adjustment.
- 97 – Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- 4123 – Allowance is based on Texas ASC device intensive procedure calculation and guidelines.
- 983 – Charge for this procedure exceeds Medicare ASC schedule allowance.
- 86 – Service performed was distinct or independent from other services performed on the same day.
- 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 indicatory determines the service is packaged or excluded from payment.
- 2005 – No additional reimbursement allowed after review of appeal/reconsideration.
- W3 – Bill is a reconsideration or appeal.
- 947 – Upheld. No additional allowance has been recommended.

Issues

1. Is Physicians Surgical Center entitled to additional reimbursement?

Findings

1. The requestor is seeking medical fee dispute resolution in the amount of \$7,950.33 for ASC services rendered on January 3, 2022.

The respondent contends that additional reimbursement is not due because the requestor "has been reimbursed at the appropriate amount."

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

Per Addendum AA, CPT code 63650 is a device intensive procedure.

The fee guidelines for disputed services are found in 28 TAC §134.402 (f)(2)(A).

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:

(A) the sum of:

(i) the ASC device portion; 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 63650 for CY 2022 = \$6,295.45.

The device dependent APC offset percentage for National Hospital OPPS found in Addendum P for code 63650 for CY 2022 is 48.22%.

Multiply these two = **\$3,035.67**.

- Step 2 calculating the service portion of the procedure:

Per Addendum AA, the Medicare ASC reimbursement rate for code 63650 for CY 2022 is \$4,570.02.

This number is divided by 2 = \$2,285.01.

This number multiplied by the City Wage Index for Ft. Worth, Texas of 0.9738 = \$2,225.14.

The sum of these two is the geographically adjusted Medicare ASC reimbursement = \$4,510.15.

The service portion is found by taking the geographically adjusted rate minus the device portion = \$1,474.48.

Multiply the service portion by the DWC payment adjustment of 235% = **\$3,465.03**.

- Step 3 calculating the MAR:

The MAR is determined by adding the sum of the reimbursement for the device portion and the service portion = **\$6,500.70**.

Procedure code 63650 was billed with two units and is not subject to a multiple procedure

discount. DWC finds the MAR for this procedure code is \$13,001.40. The insurance carrier paid \$12,754.86. An additional reimbursement of **\$246.54** is 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 established that additional reimbursement of \$246.54 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to additional reimbursement for the disputed services. It is ordered that Charter Oak Fire Insurance Co. must remit to Physicians Surgical Center \$246.54 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	May 10, 2022
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.