

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

North Garland Surgery Center

Respondent Name

Dallas County

MFDR Tracking Number

M4-22-1624-01

Carrier's Austin Representative

Box Number 44

DWC Date Received

April 1, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 18, 2021	Ambulatory Surgery Center (ASC) Services – CPT 27829	\$3,164.03	\$471.15
	ASC Services – CPT 27696	\$0.00	\$0.00
	ASC Services – CPT 76000	\$0.00	\$0.00
	ASC Services – HCPCS C1713	\$6,527.00	\$0.00
	Total	\$8,691.02	\$471.15

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.

Amount in Dispute: \$8,691.02

Respondent's Position

The additional amount requested is not owed according to the Fee Guidelines. CPT Code 27829 is a device intensive procedure according to Rule 134.402 ... The Respondent calculated reimbursement issued was correct and nothing additional is owed ... The amount of reimbursement awarded for C1713 was \$9,933.00. This amount was based on the manufacturer's invoice, the fee guidelines and all applicable discounts for the procedure performed.

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 surgery center services.

Denial Reasons

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

- 4123 – Allowance is based on Texas ASC device intensive procedure calculation and guidelines.
- 6981 – Charges for surgical implants are reviewed separately by ForeSight Medical. Please expect a detailed explanation of review for surgical implant charges directly from ForeSight Medical and direct all surgical implant inquiries to Foresight Medical...
- 851 – The allowance was adjusted in accordance with multiple procedure rules and/or guidelines.
- 983 – Charge for this procedure exceeds Medicare ASC schedule allowance
- 197 – Payment denied/reduced for absence of precertification/authorization.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- P13 – Payment reduced or denied based on Workers' Compensation jurisdictional regulations or payment policies.
- 1001 – Based on the corrected billing and/or additional information/documentation now submitted by the provider, we are recommending further payment to be made for the above noted procedure code.
- 1014 – The attached billing has been re-evaluated at the request of the provider. Based on this re-evaluation, we find our original review to be correct. Therefore, no additional allowance appears to be warranted.
- 2008 – Additional payment made on appeal/reconsideration
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.

Issues

1. Is North Garland Surgery Center entitled to additional reimbursement?

Findings

1. The requestor is seeking medical fee dispute resolution in the amount of \$8,691.02 for ASC services rendered on June 18, 2021.

The respondent contends that additional reimbursement is not due because "reimbursement was issued according to the guidelines provided by the Texas Medical Fee Schedule."

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

- A. Per Addendum AA, CPT code 27829 is a device intensive procedure.

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

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 27829 for CY 2021 = \$6,264.95.

The device dependent APC offset percentage for National Hospital OPPS found in Addendum P for code 27829 for CY 2021 is 33.37%.

Multiply these two = **\$2,090.61**.

- Step 2 calculating the service portion of the procedure:

Per Addendum AA, the Medicare ASC reimbursement rate for code 27829 for CY 2021 is \$3,977.79.

This number is divided by 2 = \$1,988.90.

This number multiplied by the City Wage Index for Garland, Texas of 0.9744 = \$1,937.98.

The sum of these two is the geographically adjusted Medicare ASC reimbursement = \$3,926.88.

The service portion is found by taking the geographically adjusted rate minus the device portion = \$1,836.27.

Multiply the service portion by the DWC payment adjustment of 235% = **\$4,315.23**.

- Step 3 calculating the implant portion:

The health care provider requested separate payment for the implantables using HCPCS code C1713.

The healthcare provider failed to provide documentation to support the billed amount for the implantables in question.

The DWC finds that the MAR for the services in this case is \$4,315.23. The insurance carrier paid \$3,844.08. An additional reimbursement of **\$471.15** 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 \$471.15 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 Dallas County must remit to North Garland Surgery Center \$471.15 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

May 10, 2022

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.