



## Medical Fee Dispute Resolution Findings and Decision General Information

**Requestor Name**  
INTEGRITY HEALTH CLINIC

**Respondent Name**  
TX ASSOCIATION OF COUNTIES RMP

**MFDR Tracking Number**  
M4-22-1818-01

**Carrier's Austin Representative**  
Box Number 47

**DWC Date Received**  
April 25, 2022

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 10, 2022	99214	\$38.00	\$38.00
<b>Total</b>		\$38.00	\$38.00

### Requestor's Position

"We are providing additional information on how payment discrepancies were discovered. We first noticed the difference in payment amounts when Sedgwick had a database transition last summer. As you can see below, there is a noticeable difference in payment amounts for [injured employee's] claims."

**Amount in Dispute:** \$38.00

### Respondent's Position

"This dispute concerns services provided by Integrity Health Clinic, on March 10, 2022. Upon receipt of the DWC-60, TAC RMP has issued an additional payment of \$29.03. If you need additional documentation, please do not hesitate to contact me."

**Response Submitted by:** Burns, Anderson Jury & Brenner, L.L.P.

## 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 (TAC) §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.203 sets out the fee guideline for professional medical services.
3. Texas Insurance Code (TIC) 1451.104 allows for different reimbursement for medical doctors and physician assistants.

### Denial Reasons

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

- 252 – The recommended allowance is based on the value for services performed by a licensed non-physician practitioner.
- 309 – The charge for this procedure exceeds the fee schedule allowance.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- N600 - Adjusted based on the applicable fee schedule for the region in which the service was rendered.

### Issues

1. What services are in dispute?
2. How are the disputed services reimbursed under the Texas Workers' Compensation system?
3. Is the Requestor entitled to additional reimbursement?

### Findings

1. The requestor seeks additional reimbursement for CPT Code 99214 rendered on March 10, 2022. The insurance carrier issued a partial payment and denied the remaining charge with denial reason code 252 – The recommended allowance is based on the value for services performed by a licensed non-physician practitioner.  
  
CPT code 99214 is described as, "Office or other outpatient visit for the evaluation and management of an established patient, which requires a medically appropriate history and/or examination and moderate level of medical decision making. When using time for code selection, 30-39 minutes of total time is spent on the date of the encounter."
2. The requestor billed \$190.00, and the insurance carrier issued a payment in the amount of \$152.00, which is 80% of the billed amount. The disputed service was rendered by a physician's assistant (PA). The insurance carrier's reduction of payment is based on Medicare's non-physician reimbursement policies. The DWC will now consider if 80% reimbursement of the billed amount applies to PA's.

Texas Insurance Code [Sec. 1451.104](#) states in part:

- (c) Notwithstanding Subsection (a), a health insurance policy may provide for a different amount of payment or reimbursement for scheduled services or procedures performed by an advanced practice nurse, nurse first assistant, licensed surgical

assistant, or physician assistant if the methodology used to compute the amount is the same as the methodology used to compute the amount of payment or reimbursement when the services or procedures are provided by a physician.

This provision allows insurance carriers to reimburse physician assistants at a different amount than physicians.

28 TAC [§134.203](#) Medical Fee Guideline for Professional Services, states:

(a) (5) "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.

(b) For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following:

(1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules.

Chapter 12 of the [Medicare Claims Processing Manual](#) states, "110 - Physician Assistant (PA) Services Payment Methodology (Rev. 2656, Issuance: 02-07-13, Effective: 02-19-13, Implementation: 02-19-13) See chapter 15, section 190 of the Medicare Benefit Policy Manual, pub. 100-02, for coverage policy for physician assistant (PA) services. Physician assistant services are paid at 80 percent of the lesser of the actual charge or 85 percent of what a physician is paid under the Medicare Physician Fee Schedule."

TIC 1451.104(c) allows the insurance carrier to pay a PA a different amount if the "methodology used to compute the amount is the same as the methodology used to compute the amount of payment or reimbursement when the services or procedures are provided by a physician."

A physician is paid for code 99214 at the Medicare rate plus a DWC multiplier. Reimbursing a PA at 80 percent of the actual charge is not the same methodology used for physician reimbursement and is contrary to TIC 1451.04(c). DWC finds that the requestor is therefore entitled to 85% of the Medicare Physician Fee Schedule.

28 TAC §134.203 states in pertinent part, "(c) 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... (2) 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..."

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Medicare Payment = Maximum Allowable Reimbursement (MAR).

- The 2022 DWC Conversion Factor is 62.46
- The 2022 Medicare Conversion Factor is 34.6062
- CMS 1500 indicates that the services were rendered in zip code 75703; therefore, the Medicare locality is "Rest of Texas."
- The Medicare Participating amount for CPT code 99214 at this locality is \$125.38.
- 85% of the CMS Fee Schedule = Medicare Participating amount of \$106.57.
- Using the above formula, the DWC finds the MAR is \$192.35.
- The respondent paid \$152.00 and indicates that a supplemental payment in the amount of \$29.03 was rendered after the filing of the MDR, however no documentation was found to support that a supplemental payment was issued.
- The requestor seeks \$38.00, 28 TAC §134.203(h) states that the total reimbursement is the lesser of the MAR and the billed amount, as a result \$38.00 is due.

3. The DWC finds that the requestor is therefore entitled to an additional payment amount of \$38.00. This amount 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.

The DWC finds the requester has established that additional reimbursement of \$38.00 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 the Respondent must remit to the Requestor \$38.00 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	July 19, 2022 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](http://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](mailto: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](mailto:CompConnection@tdi.texas.gov).