

Medical Fee Dispute Resolution Findings and Decision General Information

Requestor Name
INTEGRITY HEALTH CLINIC

Respondent Name
TX ASSOCIATION OF COUNTIES RMP

MFDR Tracking Number
M4-22-1967-01

Carrier's Austin Representative
Box Number 47

DWC Date Received
May 10, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 7, 2022	99214	\$39.00	\$36.35
Total		\$39.00	\$36.35

Requestor's Position

"Beginning with his 6/25/21 office visit the payments from Sedgwick changed to pay only 80% of billed amount... [Injured employee's] claims for the following dates of service were all paid at 80% of billed amount. This was a noticeable change from those above that paid at 100% of billed... In addition to these actions, we made an internal reporting to Sedgwick via their website but have not had a response. As of today, we are continuing to appeal to Sedgwick for the correct payment of our claims."

Amount in Dispute: \$39.00

Respondent's Position

"Kevin Scully, PA-C provided the treatment at issue in this case. TAC RMP properly reimbursed Integrity Health Clinic at eighty percent of the relevant charges. This was consistent with the applicable fee guideline Medicare payment policies. Therefore, TAC RMP appropriately reimbursed Integrity Health Clinic for the services provided by a physician assistant."

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 April 7, 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 seeks additional reimbursement in the amount of \$39.00 for CPT Code 99214 rendered by a physician's assistant (PA). The requestor billed \$195.00, and the insurance carrier issued a payment in the amount of \$156.00, which is 80% of the billed amount. The insurance carrier's reduction of payment is based on Medicare's non-physician reimbursement policies. The DWC will now consider if the 80% of the billed amount reimbursement 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). The 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 service was rendered in 2022.
- The 2022 DWC Conversion Factor is 62.46
- The 2022 Medicare Conversion Factor is 34.6062
- Per the medical bill, 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 \$156.00.
- Reimbursement of \$36.35 is therefore recommended.

3. The DWC finds that the requestor is entitled to an additional payment amount of \$36.35. 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 requestor has established that additional reimbursement of \$36.35 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 \$36.35 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	Date
		July 8, 2022

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.