



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

UT HEALTH EAST TEXAS PHYSICIAN

**Respondent Name**

TEXAS MUTUAL INSURANCE COMPANY

**MFDR Tracking Number**

M4-22-2088-01

**Carrier's Austin Representative**

Box Number 54

**DWC Date Received**

May 24, 2022

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 17, 2021	99218, 26735, 11012 and 26418	\$4,535.00	\$2,637.90
	<b>Total</b>	\$4,535.00	\$2,637.90

### Requestor's Position

"please review the claim and records on... DOS 9/17/2021. Texas Mutual denial is attached, which denied claim for proof of timely filing. Claim #... DOI... Our reconsideration/appeal with proof of timely filing was submitted showing claim accepted 12/16/2021. Texas Mutual again denied claim as they did not accept our proof of timely filing."

**Amount in Dispute:** \$4,535.00

### Respondent's Position

"Page 26/36 of DWC-60 shows that the bill was printed to a claim form on 12/16/21, however, there is no attachment showing the bill was either mailed or faxed to Texas Mutual before our received date of 12/28/21. The rationale given by the requestor for the late bill is not consistent with the Rule above. Our position is that no payment is due."

**Response Submitted by:** Texas Mutual Insurance Company

## Findings and Decision

### Authority

This medical fee dispute is decided according to Texas Labor Code (TLC) §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. 28 TAC §133.20 sets out the medical bill submission procedures for health care providers.
4. 28 TAC §102.4 sets out the rules for non-Commission communications.
5. TLC §408.027 sets out the rules for timely submission of claims by health care providers.
6. TLC §408.0272 provides for certain exceptions to untimely submission of a medical bill.

### Denial Reasons

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

- CAC-29 – The time limit for filing has expired.
- 731 – Per 133.20 (B) provider shall not submit a medical bill later than the 95<sup>th</sup> day after the date the service.
- CAC-193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- 350 – Bill has been identified as a request for reconsideration.
- CAC-W3 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.

### Issues

1. What is the timely filing deadline for the services in dispute?
2. Is the Insurance Carrier's denial reason supported?
3. Does the multiple procedure payment reduction rule apply?
4. What is the maximum allowable reimbursement (MAR) for the disputed CPT code?
5. Is the Requestor entitled to reimbursement?

### Findings

1. The requestor seeks reimbursement for CPT Codes 99218, 26735, 11012 and 26418 rendered on September 17, 2021.

The insurance carrier denied the disputed service due to 95-day timely filing.

28 TAC §133.20(b) requires that, except as provided in TLC §408.0272, "a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided." No documentation was found to support that any of the exceptions described in TLC §408.0272 apply to the services in this dispute. For that reason, the requestor in this dispute was required to submit the medical bill not-later than 95 days after the date the disputed services were provided.

TLC §408.027(a) states, in pertinent part, that "Failure by the health care provider to timely submit a claim for payment constitutes a forfeiture of the provider's right to reimbursement for that claim for payment."

28 TAC §102.4(h) states that "Unless the great weight of evidence indicates otherwise, written communications shall be deemed to have been sent on: (1) the date received, if sent by fax, personal delivery, or electronic transmission or, (2) the date postmarked if sent by mail via United States Postal Service regular mail, or, if the postmark date is unavailable, the later of the signature date on the written communication or the date it was received minus five days. If the date received minus five days is a Sunday or legal holiday, the date deemed sent shall be the next previous day which is not a Sunday or legal holiday."

Review of the submitted information finds sufficient documentation to support that a medical bill was submitted within 95 days from the date the services were provided. As a result, the insurance carrier's denial reason is not supported and the services in dispute are eligible for review.

2. 28 TAC §134.203(b)(1) states, "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."

Review of the CMS-1500's documents that the requestor billed the following CPT Codes 99218, 26735, 11012 and 26418 rendered on September 17, 2021.

CPT Code 99218 is defined as "Initial observation care, per day, for the evaluation and management of a patient which requires these 3 key components... Typically, 30 minutes are spent at the bedside and on the patient's hospital floor or unit."

CPT Code 26735 is defined as "Open treatment of phalangeal shaft fracture, proximal or middle phalanx, finger or thumb, includes internal fixation, when performed, each."

CPT Code 11012 is defined as "Debridement including removal of foreign material at the site of an open fracture and/or an open dislocation (eg, excisional debridement); skin, subcutaneous tissue, muscle fascia, muscle, and bone."

Cpt code 26418 is defined as "Repair, extensor tendon, finger, primary or secondary; without free graft, each tendon."

The DWC finds that the requestor rendered and documented the services as billed.

The DWC completed NCCI edits to identify potential edit conflicts that could affect reimbursement. The following was identified:

- CPT Codes 99218, 26735, 11012 and 26418 - "Per Compliance Editor, this charge line did not trigger edits and is considered clean."

No edit conflicts were identified that would affect reimbursement. The disputed services are therefore, reviewed pursuant to 28 TAC §134.203.

Review of the Medicare Claims Processing Manual, Chapter 12, 40.6, Claims for Multiple Surgeries defines multiple surgeries as "...separate procedures performed by a single physician or physicians in the same group practice on the same patient at the same operative session or on the same day for which separate payment may be allowed. Co-surgeons, surgical teams, or assistants-at-surgery may participate in performing multiple surgeries on the same patient on the same day."

It further states that reimbursement is determined "Base payment for each ranked procedure (indicator '2') on the lower of the billed amount, or:

- 100 percent of the fee schedule amount for the highest valued procedure;
- 50 percent of the fee schedule amount for the second through the fifth highest valued procedure."

Using the formula indicated in 28 TAC 134.203 (c) and the Medicare Claims Processing Manual, Chapter 12, 40.6, Claims for Multiple Surgeries reimbursement is calculated below:

- CPT Code 99218 – This code has a status indicator of 0 and not subject to the multiple procedure rule – 100% reimbursement.
- CPT code 26418 – This code has the highest RVU – This code is not subject to the multiple procedure rule – 100% reimbursement.
- CPT Code 26735 – This code contains a status indicator 2 - This code is subject to the multiple procedure rule discounting of 50%.
- CPT Code 11012 – This code contains a status indicator 2 - This code is subject to the multiple procedure rule discounting of 50%.

3. 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... (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 disputed services were rendered in 2021.
- The 2021 DWC Surgery Conversion Factor is 76.76
- The 2021 Medicare Conversion Factor is 34.8931
- Per the medical bills, the services were rendered in zip code 75701; therefore, the Medicare locality is "Rest of Texas."

The Medicare Participating amount for CPT code 99218 at this locality is \$94.91.

- Using the above formula, the DWC finds the MAR is \$208.79 at 100% reimbursement.
- The respondent paid \$0.00.
- Reimbursement of \$208.79 is recommended.

The Medicare Participating amount for CPT code 26418 at this locality is \$613.80.

- Using the above formula, the DWC finds the MAR is \$1,350.28 at 100% reimbursement.
- The respondent paid \$0.00.
- Reimbursement of \$1,350.28 is recommended

The Medicare Participating amount for CPT code 26735 at this locality is \$580.40.

- Using the above formula, the DWC finds the MAR is \$1,276.80 minus the 50% reduction, the recommended amount is \$638.40.
- The respondent paid \$0.00.
- Reimbursement of \$638.40 is recommended.

The Medicare Participating amount for CPT code 11012 at this locality is \$400.42.

- Using the above formula, the DWC finds the MAR is \$880.87 minus the 50% reduction, the recommended amount is \$440.43.
- The respondent paid \$0.00.
- Reimbursement of \$440.43 is recommended

4. The DWC finds that the requestor is entitled to reimbursement in the amount of \$2,637.90.

### 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 reimbursement of \$2,637.90 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 \$2,637.90 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### **Authorized Signature**

		June 14, 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](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).