



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

PEAK INTEGRATED HEALTHCARE

Respondent Name

ARCH INSURANCE COMPANY

MFDR Tracking Number

M4-23-0249-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

September 28, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 20, 2022 and January 28, 2022	97116-GP X 2	\$278.21	\$198.45
Total		\$278.21	\$198.45

Requestor's Position

"The above dates of service was not paid because the following reason(s). 'Service not documented in patient's medical records.' This is incorrect. The exercise sheet attached shows 4 units of code 97116. All necessary and supporting documentation is included with this reconsideration to properly justify/support the administered treatment still needing to be paid."

Amount in Dispute: \$278.21

Respondent's Position

"...we have escalated the bills in question for manual review to determine if additional monies are owed. Supplemental response will be provided once the bill auditing company has finalized their review."

Response Submitted by: Gallagher Bassett

Findings and Decision

Authority

This medical fee dispute is decided in accordance with the 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.

Denial Reasons

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

- 90409 & 119 – Benefit maximum for this time period or occurrence has been reached.
- B12- Services not documented in patient's medical records.
- 163 – The charge for this procedure exceeds the unit value and/or the multiple procedure rules.

Issues

1. Is the Insurance Carrier's denial reason(s) supported?
2. Is CPT code 97116 subject to Medicare's Multiple Procedure Payment Reduction policies?
3. What rule applies to the calculation of the maximum allowable reimbursement (MAR) for CPT code 97116?
4. Is the Requestor entitled to reimbursement?

Findings

1. The requestor seeks reimbursement for CPT Codes 97116 x 4 units rendered on January 20, 2022 and January 28, 2022. The disputed services were denied/reduced with denial reduction codes indicated above.

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."

CPT Code 97116 is described as "Therapeutic procedure, 1 or more areas, each **15** minutes; gait training (includes stair climbing)."

Modifier -GP is described as "Services delivered under an outpatient physical therapy plan of care."

The DWC finds that the requestor documented the disputed service, as a result the requestor

is entitled to reimbursement.

2. 28 TAC §134.203(a)(5) states, “‘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.”

Medicare Claims Processing Manual Chapter 5, 10.3.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions for Outpatient Rehabilitation Services, states:

Full payment is made for the unit or procedure with the highest PE payment.

For subsequent units and procedures with dates of service prior to April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment is made for the PE for services submitted on professional claims (any claim submitted using the ASC X12 837 professional claim format or the CMS-1500 paper claim form) and 75 percent payment is made for the PE for services submitted on institutional claims (ASC X12 837 institutional claim format or Form CMS-1450).

For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 50 percent payment is made for the PE for services submitted on either professional or institutional claims.

To determine which services will receive the MPPR, contractors shall rank services according to the applicable PE relative value units (RVU) and price the service with the highest PE RVU at 100% and apply the appropriate MPPR to the remaining services.

When the highest PE RVU applies to more than one of the identified services, contractors shall additionally sort and rank these services according to highest total fee schedule amount, and price the service with the highest total fee schedule amount at 100% and apply the appropriate MPPR to the remaining services.

Review of the Medicare policies finds that the multiple procedure payment reduction (MPPR) applies to the Practice Expense (PE) of certain time-based physical therapy codes when more than one unit or procedure is provided to the same patient on the same day. Medicare publishes a list of the codes subject to MPPR annually.

For 2022 the codes subject to MPPR are found in CMS 1693F the CY 2022 PFS Final Rule Multiple Procedure Payment Reduction Files. Review of that list finds that CPT code 97116 is eligible for the full payment for the first unit, and the remaining 3 subsequent units are subject to MPPR.

CPT Code	PE RVU	Medicare Fee Schedule (first unit)	MPPR for subsequent units
97116	0.40	\$30.51	\$23.41

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. (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. For Surgery when performed

in a facility setting, the established conversion factor to be applied is \$66.32. (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
- Per the medical bills, the services were provided in zip code 75211; therefore, the Medicare locality is "Dallas.

The Medicare Participating amount for CPT code 97116 at this locality is \$30.51 for the first unit and \$23.41 for subsequent units.

- Using the above formula, the DWC finds the MAR is \$55.07 for the first unit and \$42.25 for the subsequent 3 units = MAR of \$181.83.
- The respondent paid \$0.00 for date of service January 20, 2022.
- Reimbursement is recommended in the amount of \$181.83.
- The respondent paid \$165.21 for the date of service January 28, 2022.
- Additional reimbursement is recommended in the amount of \$16.62.

The WC finds that the requestor is entitled to reimbursement in the amount of \$198.45. Therefore, the requestor is entitled to reimbursement in the amount of \$198.45.

4. The DWC finds that the requestor has established that reimbursement in the amount of \$198.45 is recommended to the requestor.

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 \$198.45 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, the DWC has determined the requestor is entitled to reimbursement for the disputed services. It is ordered that the Respondent must remit to the Requestor \$198.45 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	March 27, 2023
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.