

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Doctors Hospital at Renaissance

Respondent Name

Markel Insurance Co

MFDR Tracking Number

M4-23-0281-01

Carrier's Austin Representative

Box Number 17

DWC Date Received

September 27, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 3, 2022	97110	\$125.88	\$81.54
June 3, 2022	97112	\$10.51	\$0.00
June 3, 2022	97530	\$82.10	\$66.38
June 6, 2022	97110	\$125.88	\$40.77
June 6, 2022	97112	\$10.51	\$0.00
June 14, 2022	97110	\$125.88	\$81.54
June 14, 2022	97112	\$10.51	\$0.00
June 14, 2022	97530	\$82.10	\$66.38
June 16, 2022	97110	\$125.88	\$81.14
June 16, 2022	97112	\$10.51	\$61.19
June 17, 2022	97110	\$125.88	\$40.77
June 17, 2022	97112	\$10.51	\$0.00
June 21, 2022	97110	\$125.88	\$81.54
June 21, 2022	97112	\$10.51	\$0.00
June 21, 2022	97530	\$82.10	\$66.38
June 22, 2022	97110	\$125.88	\$81.54
June 22, 2022	97112	\$10.51	\$0.00
June 22, 2022	97530	\$82.10	\$66.38
June 24, 2022	97110	\$125.88	\$81.54

June 24, 2022	97112	\$10.51	\$0.00
June 24, 2022	97530	\$82.10	\$66.38
June 27, 2022	97110	\$125.88	\$81.54
June 27, 2022	97112	\$10.51	\$0.00
June 27, 2022	97530	\$82.10	\$66.38
June 28, 2022	97110	\$125.88	\$81.54
June 28, 2022	97112	\$10.51	\$0.00
June 28, 2022	97530	\$82.10	\$66.38
Total		\$1,370.49	\$1,259.31

Requestor's Position

The requestor did not submit a position statement with this request for MFDR.

Amount in Dispute: \$1,370.49

Respondent's Position

"In this matter, Requestor bill for physical therapy. Each code has a time requirement; however, the time for each code was not provided. Therefore, the documentation did not support the CPT code."

Response Submitted by: Downs Stanford, PC

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 Texas Administrative Code §134.403 sets out the reimbursement guidelines for outpatient hospital services.
3. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.

Denial Reasons

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

- 356 – This outpatient allowance was based on Medicare's methodology (Part B) plus the Texas markup

- P12 – Workers’ compensation jurisdictional fee schedule adjustment
- 152 – Payer deems the information submitted does not support this length of service
- DDN – Documentation does not support coding. CPT/HCPCS code billed is a time based code and time requirements have not been met
- 18 – Exact duplicate claim/service
- D50 -Documentation does not support this code for reimbursement. Results of professional review (RN, MD, DC, CPC, other medical professional)

Issues

1. Is the insurance carrier’s denial based on insufficient documentation supported?
2. What rule(s) is applicable to reimbursement?
3. Is requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement for the following outpatient therapy services performed in June 2022.
 - 97110 - Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility
 - 97112 - Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities
 - 97530 - Therapeutic activities, direct (one-on-one) patient contact (use of dynamic activities to improve functional performance), each 15 minutes

The carrier denied codes 97110, and 97530 as documentation required for timed codes not met and service not supported by documentation. A reduction was made for code 97112 payment based on worker’s compensation fee schedule.

DWC Rule 134.403 (d) states in pertinent part, “For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided.”

The applicable Medicare Payment Policy is found at www.cms.gov Medicare Benefit Policy Manual, Chapter 15 – Covered Medical and Other Health Services, 220.3 - Documentation Requirements for Therapy Services (Rev. 255, Issued: 01-25-19, Effective: 01- 01- 19, Implementation: 02-26-19. E. Treatment Note, *The amount of time for each specific intervention/modality provided to the patient may also be recorded voluntarily, but contractors shall not require it, as it is indicated in the billing. The billing and the total timed code treatment minutes must be consistent.*

The Medicare Claims Processing Manual, Chapter 5, Section 20.2(C) also refers to the Medicare Benefit Policy found above and states, “...*the amount of time for each specific intervention/modality provided to the patient is not required to be documented in the Treatment Note. However, the total number of timed minutes must be documented.*”

Review of the submitted "Daily Note – Physical Therapy" indicates the total treatment time and number of units of each modality that made up the total treatment time. Treatment time was documented and consistent.

Based on this review, the Medicare reporting requirement for physical therapy was met. The insurance carrier's denial is not supported. The disputed services will be processed per the applicable fee guideline shown below.

2. DWC Rule 28 TAC 134.403 applies to outpatient hospital services. Section (h) requires when Medicare reimburses using other Medicare fee schedules, reimbursement is made using the applicable Division Fee Guideline in effect for that service on the date was provided. The applicable DWC fee guideline for physical therapy is 28 TAC §134.203 (b) (1) which requires the application of Medicare payment policies applicable to professional services. The Medicare 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.

The MPPR policy allows for full payment for the unit or procedure with the highest Practice Expense (PE) payment factor and for subsequent units the Practice Expense (PE) payment factor is reduced by 50 percent.

Review of the submitted medical bill provided indicates that three procedures were billed by the health care provider. In order to determine the MPPR allowable, the services provided are ranked by their PE expense shown below.

Code	Practice Expense	Allowed Amount	Medicare Policy
97110	0.4	29.02/22.59	MPPR applies
97112	0.49	33.9/25.8	MPPR applies when billed with 97530
97530	0.64	36.78/26.21	MPPR does not apply

The *MPPR Rate File* that contains the payments for 2022 services is found at <https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

- MPPR rates are published by carrier and locality.
- The services were provided in Edinburg, Texas.
- The carrier code for Texas is 4412 and the locality code for Edinburg is 99.

The following formula represents the calculation of the DWC MAR at §134.203 (c)(1) & (2).
 (DWC Conversion Factor ÷ Medicare Conversion Factor) x Medicare Payment = MAR

Applicable 28 TAC 134.203(h) states that the total reimbursement is the lesser of the maximum allowable reimbursement (MAR) and the billed amount.

Date of Service	Code	Units	Medicare Payment	DWC Conversion Factor divided by Medicare Conversion Factor or $62.46 \div 34.6062 = 1.80$	Billed Amount	Lesser of MAR and billed amount
June 3, 2022	97110	2	\$22.59	$\$22.59 \times 1.80 \times 2 = \81.54	\$299.98	\$81.54
June 3, 2022	97112	1	\$25.80	$\$25.80 \times 1.80 = \61.19	\$149.19	\$61.19
June 3, 2022	97530	1	\$36.78	$\$36.78 \times 1.80 = \66.38	\$185.90	\$66.38
June 6, 2022	97110	1	\$22.59	$\$22.59 \times 1.80 = \40.77	\$149.99	\$40.77
June 6, 2022	97112	1	\$25.80	$\$25.80 \times 1.80 = \61.19	\$149.19	\$61.19
June 14, 2022	97110	2	\$22.59	$\$22.59 \times 1.80 \times 2 = \81.54	\$299.98	\$81.54
June 14, 2022	97112	1	\$25.80	$\$25.80 \times 1.80 = \61.19	\$149.19	\$61.19
June 14, 2022	97530	1	1	\$36.78	\$185.90	\$66.38
June 16, 2022	97110	2	\$22.59	$\$22.59 \times 1.80 \times 2 = \81.54	\$299.98	\$81.14
June 16, 2022	97112	1	\$25.80	$\$25.80 \times 1.80 = \61.19	\$149.19	\$61.19
June 17, 2022	97110	1	\$22.59	$\$22.59 \times 1.80 = \40.77	\$149.99	\$40.77
June 17, 2022	97112	1	\$25.80	$\$25.80 \times 1.80 = \61.19	\$149.19	\$61.19
June 21, 2022	97110	2	\$22.59	$\$22.59 \times 1.80 \times 2 = \81.54	\$299.98	\$81.54
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June 28, 2022	97110	2	\$22.59	$\$22.59 \times 1.80 \times 2 =$ \$81.54	\$299.98	\$81.54
June 28, 2022	97112	1	\$25.80	$\$25.80 \times 1.80 =$ \$61.19	\$149.19	\$61.19
June 28, 2022	97530	1	\$36.78	$\$36.78 \times 1.80 =$ \$66.38	\$185.90	\$66.38
Total						\$1,810.02

2. The total allowable DWC fee guideline reimbursement is \$1,810.02. The insurance carrier paid \$550.71. An additional payment of \$1,259.31 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 \$1,259.31 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 Markel Insurance Co must remit to Doctors Hospital at Renaissance \$1,259.31 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	December 2, 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. 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.