

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Texas Spine and Joint Hospital

Respondent Name

New Hampshire Insurance Co

MFDR Tracking Number

M4-23-0894-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

December 19, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
07/21/2022	0250	240.55	
07/21/2022	0258	15.25	
07/21/2022	0270	1285.00	
07/21/2022	0272	2343.00	
07/19/2022	0300	1326.00	
07/21/2022	0360	6782.00	\$5,695.70
07/21/2022	0370	2847.00	
07/21/2022	0710	1423.00	
07/19/2022	0761	1297.00	
07/21/2022	0761	359.00	
	Total	17917.80	\$5,695.70

Requestor's Position

"We disagree with the Carrier's denial reasons. First, all medical records have been provided, which support the billed CPT codes and charges. Additionally, this is the only bill for the Hospital's facility charge for the surger, and no aspect of the Hospital's surgery bill has been reimbursed by the Carrier. Our position is the coding is correct and the charges are separately payable. Therefore, we are requesting the Texas Department of Insurance, Division of Workers'

Comepnsation make a final determination of the dispute.”

Amount in Dispute: \$17,917.80

Respondent's Position

“The bill(s) in question was escalated and the review has been finalized. Our bill audit company has determined no additional monies are due in response to the attached DWC 60.”

Response submitted by: Gallagher Basssett

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 TAC §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.403 sets out the fee guidelines for outpatient hospital services.

Denial Reasons

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

- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly
- 97 – Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated
- P12 – Workers’ compensation jurisdictional fee schedule adjustment
- 112 – Service not furnished directly to the patient and/or not documented

Issues

1. Did the requestor submit required documentation?
2. What rule is applicable to reimbursement?
3. Is the requestor due reimbursement?

Findings

1. The requestor is seeking reimbursement of outpatient hospital services rendered in July of 2022. The insurance carrier denied the disputed services stating the services were not documented. Review of the submitted documentation found an "OR" report dated July 21, 2022 indicating a knee arthroscopy was rendered to the injured employee. The insurance carrier's denial is not supported. The disputed services will be reviewed per applicable fee guidelines.
2. DWC Rule 28 TAC §134.403 (d) requires Texas workers' compensation system participants when coding, billing, reporting and reimbursement to apply Medicare payment policies in effect on the date of service.

The Medicare payment policy applicable to the services in dispute is found at www.cms.gov, Claims processing Manual, Chapter 4, Section 10.1.1. Specifically, Payment Status Indicators and Ambulatory Payment Category (APC).

DWC Rule 28 TAC 134.403 (e) states in pertinent part, regardless of billed amount, when no specific fee schedule or contract reimbursement shall be the maximum allowable reimbursement (MAR) amount under subsection (f) of this section including any applicable outlier payment amounts and reimbursement for implantables.

DWC Rule 28 TAC 134.403 (f) states in pertinent part the reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the *Federal Register*.

The Medicare facility specific amount is calculated when the APC payment rate is multiplied by 60% to determine the labor portion. This amount is multiplied by the facility wage index for the date of service. The non-labor amount is determined when the APC payment rate is multiplied by 40%. The sum of the labor portion multiplied by the facility wage index and the non-labor portion determines the Medicare specific amount. Review of the submitted medical bill and the applicable fee guidelines referenced above is shown below.

- Procedure code 81003, billed July 19, 2022, has a status indicator of Q4 and is packaged into primary comprehensive procedure.
- Procedure code 36415, billed July 19, 2022, has a status indicator of Q4 and is packaged into primary comprehensive procedure.
- Procedure code 85027, billed July 19, 2022, has a status indicator of Q4 and is packaged into primary comprehensive procedure.
- Procedure code 80048, billed July 19, 2022, has a status indicator of Q4 and is packaged into primary comprehensive procedure.
- Procedure code 82962 has a status indicator of Q4 and is packaged into primary comprehensive procedure.

- Procedure code 29880 has status indicator J1, for procedures paid at a comprehensive rate. All covered services on the bill are packaged with the primary "J1" procedure.

This code is assigned APC 5113. The OPSS Addendum A rate is \$2,892.28. This is multiplied by 60% for an unadjusted labor amount of \$1,735.37, in turn multiplied by facility wage index 0.9744 for an adjusted labor amount of \$1,690.94.

The non-labor portion is 40% of the APC rate, or \$1,156.91.

The sum of the labor and non-labor portions is \$2,847.85.

The Medicare facility specific amount is \$2,847.85 multiplied by 200% for a MAR of \$5,695.70.

- Procedure code G0463, billed July 19, 2022, assigned APC is 5012 with a status indicator V and is packaged into primary comprehensive procedure.
- Procedure code 96374 has a status indicator of S and is packaged into the primary comprehensive procedure.
- Procedure code 96375 has a status indicator of S and is packaged into the primary comprehensive procedure.

3. The total recommended reimbursement for the disputed services is \$5,695.70. 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.

DWC finds the requestor has established that additional reimbursement 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 respondent must remit to requestor \$5,695.70 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

February 17, 2023

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.