



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Mark Wesley Bailey

**Respondent Name**

AIU Insurance Co

**MFDR Tracking Number**

M4-23-0934-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

December 23, 2022

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
October 20, 2022	97750-FC	\$274.90	\$0.00
<b>Total</b>		\$274.90	\$0.00

### Requestor's Position

"It is our position that the carrier has reduced payment for the above listed Date of Service of the service provided inappropriately, and is responsible for the \$274.90 still owed for the Functional Capacity Evaluation."

**Amount in Dispute:** \$274.90

### Respondent's Position

"The provider is entitled to only the amount of six \$725.10. The payment is based upon the cascade percent of 1211.53% (quantity: 16, 100%, then 74.1% is repeated 15 times) of \$59.85. This comes out to a total \$725.10."

Response submitted by: Flahive, Ogden & Latson

## 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 §134.203 sets out the fee guidelines for reimbursement of professional medical services provided in the Texas workers' compensation system.
3. 28 TAC §134.225 sets the reimbursement guidelines for functional capacity evaluations.

### Denial Reasons

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

- 163 – The charge for this procedure exceeds the unit value and/or the multiple procedure rules
- 600 – Allowance based on maximum number of units allowed according to the fee schedule and/or service code description or regulations
- 119 – Benefit maximum for this time period or occurrence has been reached
- P12 – Workers' compensation jurisdictional fee schedule adjustment
- 1001 – Based on the corrected billing and/or additional information/documentation now submitted by the provider, we are recommending further payment to be made for the above noted procedure

### Issues

1. Is the insurance carrier's reduction of payment supported?
2. Is the requestor entitled to additional reimbursement?

### Findings

1. The requestor is seeking medical fee dispute resolution for CPT code 97750-FC (X16) rendered on October 20, 2022, in the amount of \$274.90.

DWC Rule 28 TAC §134.225 states in pertinent part, "The following applies to functional capacity evaluations (FCEs). A maximum of three FCEs for each compensable injury shall be billed and reimbursed. FCEs ordered by the division shall not count toward the three FCEs

allowed for each compensable injury. FCEs shall be billed using CPT code 97750 with modifier "FC." FCEs shall be reimbursed in accordance with §134.203(c)(1) of this title.

Reimbursement shall be for up to a maximum of four hours for the initial test or for a division ordered test; a maximum of two hours for an interim test; and a maximum of three hours for the discharge test, unless it is the initial test.

DWC rule 28 TAC §134.203 (c) (1) states in pertinent part, to determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

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 annual conversion factor for date of service.

The Medicare payment policy for physical medicine and rehabilitation codes is the multiple procedure payment reduction (MPPR). The 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.

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 McAllen, Texas
- The carrier code for Texas is 4412 and the locality code for McAllen is 99.

The following formula represents the calculation of the DWC MAR at §134.203 (c)(1) & (2).

$$(\text{DWC Conversion Factor} \div \text{Medicare Conversion Factor}) \times \text{Medicare Payment} = \text{MAR}$$

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
October 20, 2022	97750	16	\$33.16 \$24.57	$\$59.85 + \$665.19 =$ $\$725.04$	\$1000.00	\$725.04

2. The maximum allowable reimbursement is \$725.04. The insurance carrier paid \$725.10. No additional payment 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 not established that additional reimbursement is due.

**Order**

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is not entitled to additional reimbursement for the disputed services.

**Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
January 26, 2022

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 electronico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).