

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Doctors Hospital at Renaissance

Respondent Name

United Fire Lloyds

MFDR Tracking Number

M4-23-0956-01

Carrier's Austin Representative

Box Number19

DWC Date Received

December 28, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 1, 2022	N400143958625ML	\$0.00	\$0.00
September 1, 2022	AN AIRWAY 90MM	\$0.00	\$0.00
September 1, 2022	Suture, Ethilon 3-0 PS-2	\$0.00	\$0.00
September 1, 2022	A6222	\$0.00	\$0.00
September 1, 2022	C1713	\$0.00	\$0.00
August 31, 2022	36415	\$0.00	\$0.00
August 31, 2022	80048	\$0.00	\$0.00
September 1, 2022	82962	\$0.00	\$0.00
August 31, 2022	85027	\$0.00	\$0.00
September 1, 2022	64910	\$3,648.47	\$3,648.47
September 1, 2022	26356	\$5,176.84	\$0.00
September 1, 2022	26170	\$2,546.12	\$0.00
September 1, 2022	Anesthesia Gen Level-1f1	\$0.00	\$0.00
September 1, 2022	J2250	\$0.00	\$0.00
September 1, 2022	J3010	\$0.00	\$0.00
September 1, 2022	J2704	\$0.00	\$0.00
September 1, 2022	J1885	\$0.00	\$0.00
September 1, 2022	J2405	\$0.00	\$0.00
September 1, 2022	J2370	\$0.00	\$0.00

September 1, 2022	J2710	\$0.00	\$0.00
September 1, 2022	J0690	\$0.00	\$0.00
September 1, 2022	A9270	\$0.00	\$0.00
September 1, 2022	Recover Room 1 ST hour	\$0.00	\$0.00
September 1, 2022	96374	\$373.96	\$0.00
	Total	\$11,745.39	\$3,648.47

Requestor's Position

The requestor did not submit a position statement with this request for MFDR but did submit a copy of their reconsideration request that states, "After reviewing the account we have concluded that reimbursement received was inaccurate. Based on CPT Code 64910, allowed amount of \$5,212.09 multiplied at 200%, CPT Code 26356, allowed amount of \$2,588.42 multiplied at 200%, CPT Code 26170, allowed amount of \$1,273.06 reimbursement should be \$18,562.10. Payment received \$6,775.71 thus, according to these calculations; there is a pending payment in the amount of \$11,745.39."

Amount in Dispute: \$11,745.39

Respondent's Position

"We are attaching a copy of the carrier's EOB dated November 18, 2022 that recommended reimbursement of \$6775.71. We are also attaching a copy of the provider's request for reconsideration. It is the carrier's position that the provider has been reimbursed in accordance with the medical fee guidelines. No additional monies are owed."

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 §134.403 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

- 252 – An attachment/other documentation is required to adjudicate this claim/service
- 253 – In order to review this charge please submit a copy of the certified invoice
- 370 – This hospital outpatient allowance was calculated according to the APC rate plus a markup
- 610 – This code has a status Q APC indicator and is packaged into other APC codes that have been identified by CMS
- 617- This item or service is not covered or payable under the Medicare outpatient fee schedule
- 618 – The value of this service is included in the payment/allowance for another service/procedure that has already been adjudicated
- P12 – Workers’ compensation jurisdictional fee schedule adjustment

Issues

1. What rule is applicable to disputed services?
2. Is the requester entitled to additional reimbursement?

Findings

1. The requestor is seeking additional payment for a surgery rendered in an outpatient hospital setting. The insurance carrier reduced the allowed amount based on packaging and the workers compensation fee schedule. The maximum allowable reimbursement is calculated based on the provisions of DWC Rule 28 TAC §134.403 (d) which 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 A6222 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code C1763 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code 36415 has a status indicator of Q4 and is packaged into primary comprehensive service.
- Procedure code 80048 has a status indicator of Q4 and is packaged into primary comprehensive service.
- Procedure code 82962 has a status indicator of Q4 and is packaged into primary comprehensive service.
- Procedure code 85027 has a status indicator of Q4 and is packaged into primary comprehensive service.
- Procedure code 64910 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 5432.

The OPPS Addendum A rate is \$5,823.95 multiplied by 60% for an unadjusted labor amount of \$3,494.37, in turn multiplied by facility wage index 0.9744 for an adjusted labor amount of \$3,404.91.

The non-labor portion is 40% of the APC rate, or \$2,329.58.

The sum of the labor and non-labor portions is \$5,734.49.

The Medicare facility specific amount is \$5,734.49 multiplied by 200% for a MAR of \$11,468.98.

- Procedure code 26356 has a status indicator of J1. The Medicare Claims Processing Manual, Chapter 4, Section 10.2.3 states in pertinent part, "The single payment for a comprehensive claim is based on the rate associated with either the J1 service or the specific combination of J2 services. When multiple J1 services are reported on the same claim, the single payment is based on the rate associated with the highest ranking J1 service. Review of Addendum J at www.cms.gov found procedure code 64910 has a ranking of 333. Procedure code 26356 has a ranking of 1,855. Procedure code 64910 is highest ranking and only J1 code eligible for payment.
- Procedure code 26170 has a status indicator of J1. As above Medicare payment policy

indicates only the highest ranking J1 procedure code is eligible for payment. Procedure code 26170 has a ranking of 1,855. Procedure code 64910 has a ranking of 333. Procedure code 64910 is highest ranking and only J1 code eligible for payment.

- Procedure code J2250 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code J1885 has status indicator N, for packaged codes integral to the total service package with no separate payment; reimbursement is included with payment for the primary services.
 - Procedure code J2405 has status indicator N, for packaged codes integral to the total service package with no separate payment; reimbursement is included with payment for the primary services.
 - Procedure code J3010 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code J2704 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code J1885 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code J2405 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code J2370 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code J2710 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code J0690 has status indicator N reimbursement is included with payment for the primary services.
 - Procedure code A9270 has status indicator E1, for excluded or non-covered codes not payable on an outpatient bill. Payment is not recommended.
 - Procedure code 96374 has a status indicator of S and is packaged into primary J1 procedure.
2. The total recommended reimbursement for the disputed services is \$11,468.98. The insurance carrier paid \$6,775.71.

The requestor is seeking \$3,648.47. 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 requester 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 \$3,648.47 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	February 3, 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.