



## Medical Fee Dispute Resolution Findings and Decision General Information

**Requestor Name**

PEAK INTEGRATED HEALTHCARE

**Respondent Name**

FEDERAL INSURANCE COMPANY

**MFDR Tracking Number**

M4-23-1059-01

**Carrier's Austin Representative**

Box Number 17

**DWC Date Received**

January 10, 2023

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 18, 2022	E0730-RR, L0180 and L0626	\$795.57	\$103.35
<b>Total</b>		\$795.57	\$103.35

### Requestor's Position

"This date of service was denied payment for 'ABSENCE OF PREAUTH AND EXCEEDS ODG GUIDEUNES.' This is INCORRECT. All necessary documentation has been submitted to justify and support payment for these dme items were deemed necessary for the patients care by the treating physician. See attached encounter notes and order."

**Amount in Dispute:** \$795.57

### Respondent's Position

"While the full verbiage of the preauth rule for TDI-DWC as it relates to DME [134.600(p)(9)] actually states: all durable medical equipment (DME) in excess of \$500 billed charges per item (either purchase or expected cumulative rental), neither the rented TENS unit nor Cervical Collar and Lumbar Brace exceed \$500 in billed charges, the Requestor has failed to take into account rule 137.100 regarding the use of ODG. TDI-DWC has stated multiple times that the rules go hand in hand: if billing less than \$500 for an individual DME, that DME must also be recommended by ODG. None of the DME billed fit the criteria for use as defined by ODG based on the injury and/or diagnosis for the bill submitted. As indicated on the EORs for DOS 11/18/2022 each item was denied per ODG with criteria for use from ODG listed on the lines. Please see attached EORs for details."

**Response Submitted by:** CorVel

## 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 (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.
3. 28 TAC §134.600 sets out the requirements of preauthorization, concurrent utilization review, and voluntary certification of health care.
4. 28 TAC §137.100 sets out provision of the treatment guidelines.

### Denial Reasons

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

- 197 – Payment adjusted for absence of preauth/precert.
- ODG – Services exceed ODG guidelines; preauth is required.
- RR – Rented equipment
- Note: Per ODG: May be considered as a noninvasive second-line option, only when subjective improvement and reduction in medication use have been previously documented during a program of evidence-based functional restoration, which isn't documented.
- Note: Per ODG: Not recommended for cervical sprain.
- Note: Per ODG: Not recommended for prevention. Treatment: Recommended as an option for compression fractures and specific treatment of spondylolisthesis, documented instability, and for treatment of nonspecific LBP.
- W3 – Appeal/reconsideration
- Bill Comments: Per Rule 137.100 (d) carrier is not liable for treatment and/or services provided in excess of the Division's treatment guidelines unless; for emergency care or preauthorized per rule 134.600 (p)(12). Per ODG (Neck)(Lumbar) E0730: Not recommended first line treatment modality.

### Issues

1. What is the definition of the HCPCS codes in dispute?
2. Is the Insurance Carrier's denial reason(s) supported?
3. Is the Requestor entitled to reimbursement?

## Findings

1. The requestor seeks reimbursement for HCPCS Codes E0730-RR, L0180 and L0626 rendered on November 18, 2022. The insurance carrier denied the disputed services 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."

HCPCS code E0730-RR description, "Transcutaneous electrical nerve stimulation (TENS) device, four or more leads, for multiple nerve stimulation."

Modifier RR description, "Rental (use the RR modifier when DME is to be rented.)"

HCPCS code L0180 description, "Cervical, multiple post collar, occipital/mandibular supports, adjustable."

HCPCS code L0626 description, "Lumbar orthosis (LO), sagittal control, with rigid posterior panel(s), posterior extends from L-1 to below L-5 vertebra, produces intracavitary pressure to reduce load on the intervertebral discs, includes straps, closures, may include padding, stays, shoulder straps, pendulous abdomen design, prefabricated item that has been trimmed, bent, molded, assembled, or otherwise customized to fit a specific patient by an individual with expertise."

2. 28 TAC §134.600 (p)(9) states, "(p) Non-emergency health care requiring preauthorization includes... (9) all durable medical equipment (DME) in excess of \$500 billed charges per item (either purchase or expected cumulative rental)..."

28 TAC §134.600 (p)(12) states, "(p) Non-emergency health care requiring preauthorization includes... (12) treatments and services that exceed or are not addressed by the commissioner's adopted treatment guidelines or protocols and are not contained in a treatment plan preauthorized by the insurance carrier. This requirement does not apply to drugs prescribed for claims under §§134.506, 134.530 or 134.540 of this title (relating to Pharmaceutical Benefits). "

28 TAC §137.100 (e) states, "(e) An insurance carrier may retrospectively review, and if appropriate, deny payment for treatments and services not preauthorized under subsection (d) of this section when the insurance carrier asserts that health care provided within the Division treatment guidelines is not reasonably required. The assertion must be supported by documentation of evidence-based medicine that outweighs the presumption of reasonableness established by Labor Code §413.017."

Review of the ODG finds:

- HCPCS Code E0730-RR, "Transcutaneous electrical nerve stimulation (TENS) is not recommended."
- HCPCS code L0180, "Not recommended for cervical sprain."
- HCPCS code L0626, "Recommended as an option."

Based on the above, the DWC finds that the requestor was therefore, required to obtain preauthorization pursuant for HCPCS codes L0180 and E0730-RR pursuant to 28 TAC §137.100. The requestor submitted insufficient documentation to support that preauthorization was obtained for HCPCS codes L0180 and E0730-RR, as a result, reimbursement cannot be recommended.

The DWC finds that preauthorization was not required per the ODG. As a result, the insurance carrier's denial reason is not supported and the requestor is therefore entitled to reimbursement for HCPCS code L0626. This disputed service will be reviewed per applicable fee guideline.

3. 28 TAC §134.203 (d) The MAR for Healthcare Common Procedure Coding System (HCPCS) Level II codes A, E, J, K, and L shall be 125 percent of the fee listed for the code in the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule.

The Medicare allowable for Code L0626 for Texas is \$82.68. This amount multiplied by 125% equals a MAR of \$103.35. The DWC finds that the requestor is entitled to \$103.35 for L0626.

### 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 \$103.35 is due.

## Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to reimbursement for the disputed services. It is ordered that the Respondent must remit to the Requestor \$103.35 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### Authorized Signature

_____	_____	March 6, 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](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 electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).