TDI Division of Workers' Compensation
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Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name
Peak Integrated Healthcare

Respondent Name
Federal Insurance Co

MFDR Tracking Number
M4-23-1216-01

Carrier's Austin Representative
Box Number 17

DWC Date Received
January 26, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 8, 2022	E0730-NU	$192.22	$192.22
	Total	$192.22	$192.22

Requestor's Position

The requestor did not submit a position statement for the services in dispute but did submit a copy of their reconsideration dated January 26, 2023 that states, "Per TWCC rule 134.600(P)(12) durable medical equipment requires preauthorization only when a single item exceeds $500."

Amount in Dispute: $192.22

Respondent's Position

"As the services provided on 09/08/2022 were not of an emergent nature, and as the services exceeded ODG, preauthorization was required, thus the use of CARC 197 and proprietary reason code ODG."

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 §134.203 sets out the reimbursement guidelines for professional medical services.

2. 28 Texas Administrative Code §134.600 sets out the requirements of prior authorization.

3. 28 Texas Administrative Code §137.100 sets out provision of the treatment guidelines.

Denial Reasons

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

- 197 – Payment adjusted for absence of precert/preauth
- ODG – Services exceed ODG guidelines;preauth is required

Issues

1. Are the insurance carrier's reasons for denial or reduction of payment supported?
2. What is the rule applicable to reimbursement?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking reimbursement of $192.22 for durable medical equipment provided on September 8, 2022. The insurance carrier denied for lack of prior authorization stating ODG guidelines are exceeded.

   DWC Rule 28 Texas Administrative Code §137.100 (e) states,

   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.

   DWC Rule 28 Texas Administrative Code Part 1, Chapter 19, Subchapter U sets out the requirements for utilization review of health care provided under Texas workers' compensation insurance coverage.

Applicable 28 TAC §19.2003 (b)(31) defines retrospective review as "A form of utilization review for health care services that have been provided to an injured employee."

Insufficient evidence was found to support that the insurance carrier retrospectively reviewed the reasonableness and medical necessity of the service in dispute pursuant to the minimal requirements of Chapter 19, subchapter U as required. The service in dispute will be reviewed per applicable rules and fee guidelines.

2. DWC Rule 134.203 (d)(1) states The MAR for Healthcare Common Procedure Coding System (HCPCS) Level II codes A, E, J, K, and L shall be determined as 125 percent of the fee listed for the code in the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule.

   Review of the DMEPOS fee schedule found the PDAC - Search DMECS for Codes and Fees (dmepdac.com) found the allowable for Texas is $167.38 for the date of service September 8, 2022. This amount multiplied by 125% equals a MAR of $209.22.

3. The MAR for Code E0730 for dated of service September 8, 2022 is $209.22. The requestor is seeking $192.22. 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 $192.22 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	March 15,2023 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 electronico CompConnection@tdi.texas.gov.