

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Baylor Orthopedic & Spine Hospital

Respondent Name

Standard Fire Insurance Co

MFDR Tracking Number

M4-23-1312-01

Carrier's Austin Representative

Box Number 5

DWC Date Received

February 7, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 4, 2022	C1713	\$1551.26	\$0.00
August 4, 2022	L8699	\$605.00	\$0.00
August 4, 2022	29882	-1970.18	\$0.00
Total		\$186.08	\$0.00

Requestor's Position

The requestor did not submit a position statement with this request for MFDR but did submit a copy of a reconsideration dated January 25, 2023 that states, "According to TX workers compensation fee schedule the expected reimbursement for DOS 8/4/2022 is \$5,815.16. Please note separate reimbursement was requested in Box 80 of uB-04 form for implantables, and should be reimbursed at manual cost plus 10%."

Amount in Dispute: \$186.08

Respondent's Position

"The Provider requests separate reimbursement for the implantables. The Carrier reimbursed the primary procedure, CPT code 29882 (arthroscopic meniscal repair) at 200% of Medicare for \$5,629.08 with included implantables. Reimbursing the implantables separately reduces the

reimbursement for 29882 to 130% of Medicare equaling \$3,658.90. A review of the operative report shows no anchors or screws were used in securing the meniscal tear, rather sutures were utilized. The Novastitch Pro and Fast-Fix 360 are tools for tying and securing sutures in meniscal surgeries. All other items document in the invoices are tools for tying sutures or inserting needles. They are not implantable and are not separately reimbursed. No other items are document in the operative report. As the Carrier has reimbursed the procedure properly and no implantables are documented, no additional reimbursement is due.”

Response submitted by: Travelers

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 reimbursement guidelines for reimbursement of implants rendered during an outpatient procedure.

Denial Reasons

The insurance carrier reduced or denied the disputed service(s) with the following claim adjustment codes.

- 150 – Payer deems the information submitted does not support this level of service
- 45 – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.
- 197 – 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.
- 16 – Claim/service lacks information which is needed for adjudication.

Issues

1. Did the requestor support their request for reconsideration?

Findings

1. The requestor is seeking reimbursement of implants in the amount of \$186.08 for implants rendered as part of an outpatient hospital surgery on August 4, 2022.

The requestor indicates a negative amount in dispute for Code 29882 stating in their reconsideration request, "29882-UB TX O/P:Surgical @GARR: 2814.54 x 130% = \$3,658.90."

The codes billed as implants in dispute were submitted on the medical bill as,

- C1713 – Anchor/screw for opposing bone-to-bone or soft tissue-to-bone (implantable)
- L8699 – Prosthetic implant, not otherwise specified.

Review of the submitted operative report indicates no anchors or screws were placed. The insurance carrier's denial for (16) lack of information and (150) services not supported are upheld.

The product description of the items billed under Revenue Code 278 on the itemized bill are identified as Device FXTN Meniscal Rep (3) and Novostitch Pro Meniscal.

Review of the manufacturers "Smith & Nephew" product information for each item indicates all three items are instruments used in meniscal repair.

DWC Rule 134.403 (b)(2) states, "Implantable" means an object or device that is surgically:

- (A) implanted,
- (B) embedded,
- (C) inserted,
- (D) or otherwise applied, and
- (E) related equipment necessary to operate, program and recharge the implantable.

DWC finds no additional payment is due for the items billed as implants.

As no item billed as an implant met the above definition, the insurance carrier paid per requirements of 28 TAC 134.403 (f) which states,

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 following minimal modifications shall be applied.

- (1) The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by:

- (A) 200 percent

The maximum allowable reimbursement (MAR) for Code 29882 is calculated as follows:

- Procedure code 29882 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 OPPS Addendum A rate is \$2,892.28 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 \$2,847.85s multiplied by 200% for a MAR of \$5,695.70.

The requestor's position that implants are reimbursable therefore the Medicare facility specific amount should be multiplied by 130% is not supported.

The requestor is not seeking additional payment for code 29882. No additional reimbursement is due.

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

March 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.