

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Integrity Health Clinic

Respondent Name

American Zurich Insurance Co.

MFDR Tracking Number

M4-23-1612-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

March 9, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 13, 2023	99214	\$39.82	\$0.00

Requestor's Position

Initial position statement: **On 01/13/23**, this claim was first submitted. **On 01/23/23**, we received a **partial payment** of \$162.40 from the carrier, which **is below MAR**.

Subsequent position statement: The actual DOS for the patient is 1/13/**2023**. The carrier to date has only paid a total of \$192.36. According to the fee schedule for 2023, this claim should have paid \$202.22, therefore **the carrier still owes \$9.86**.

Amount in Dispute: \$39.82

Respondent's Position

The provider filed a DWC 60 seeking Medical Fee Dispute Resolution for a date of service of January 13, 2023. The provider billed under CPT code 99214 in the amount of \$203. The provider acknowledges that the carrier is already reimbursed it in the amount of \$162.40. The provider is seeking an additional payment of \$39.82.

The carrier has reprocessed the provider's bill and is recommending an additional payment of

\$29.96. Once we receive the EOB for EOR, we will forward it to you along with payment.

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 Texas Administrative Code §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.203](#) sets out the fee guidelines for professional medical services.
3. [Texas Insurance Code \(TIC\), Sec. 1451.104](#) sets out the exception to nondiscriminatory payment.

Denial Reasons

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

- 252 – The recommended allowance is based on the value for services performed by a licensed non-physician practitioner.
- 309 – The charge for this procedure exceeds the fee schedule adjustment.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- N600 – Adjusted based on the applicable fee schedule for the region in which the service was rendered.

Issues

1. Is Integrity Health Clinic entitled to additional reimbursement?

Findings

1. Integrity Health Clinic is seeking additional reimbursement for procedure code 99214 rendered by a physician assistant.

TIC 1451.104 (c) states:

Notwithstanding Subsection (a), a health insurance policy may provide for a different amount of payment or reimbursement for scheduled services or procedures performed by an advanced practice nurse, nurse first assistant, licensed surgical assistant, or physician assistant if the methodology used to compute the amount is the same as the methodology used to compute the amount of payment or reimbursement when the services or

procedures are provided by a physician.

This provision allows insurance carriers to reimburse physician assistants at a different rate than physicians.

28 TAC §134.203 states:

- (a) Applicability of this rule is as follows: ... (5) "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare.
- (b) 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.

[Medicare Claims Processing Manual 100-04, Chapter 12, Section 110](#) states:

Physician Assistant (PA) Services Payment Methodology (Rev. 2656, Issuance: 02-07-13, Effective: 02-19-13, Implementation: 02-19-13) See chapter 15, section 190 of the Medicare Benefit Policy Manual, pub. 100-02, for coverage policy for physician assistant (PA) services. Physician assistant services are paid at 80 percent of the lesser of the actual charge or 85 percent of what a physician is paid under the Medicare Physician Fee Schedule.

TIC 1451.104 (c) allows the insurance carrier to pay a PA a different amount if the "methodology used to compute the amount is the same as the methodology used to compute the amount of payment or reimbursement when the services or procedures are provided by a physician."

For procedure code 99214 a physician is paid at the Medicare rate plus a DWC multiplier. Reimbursing a PA at 80 percent of the actual charge is not the same methodology used for physician reimbursement and is contrary to TIC 1451.04 (c). DWC finds that the requestor is therefore entitled to 85% of the Medicare Physician Fee Schedule.

28 TAC §134.203 states:

- (c) To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.
 - (1) For service categories of Evaluation & Management ... when performed in an office setting, the established conversion factor to be applied is \$52.83 ...
 - (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year ...

To determine the MAR for the examination in question, the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) x Medicare Payment = MAR.

- The 2022 DWC Conversion Factor is \$62.46.
- The 2022 Medicare Conversion Factor is \$34.6062.
- The medical bill indicates that the services were rendered in Tyler, TX. Therefore, the Medicare locality is "Rest of Texas."
- The Medicare Participating amount for CPT code 99214 at this locality is \$125.38.
- 85% of the Medicare Participating amount is \$106.57.

Using the above formula, DWC finds the MAR is \$192.35. Per explanation of benefits dated January 17, 2023, American Zurich Insurance Co. paid \$162.40. In its position statement, the insurance carrier stated it was "recommending an additional payment of \$29.96." In a subsequent email, Integrity Health Clinic acknowledged that it received a total payment of \$192.36. Therefore, no additional reimbursement 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 entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

May 24, 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.