



## Medical Fee Dispute Resolution Findings and Decision General Information

**Requestor Name**

Ashley Ferguson

**Respondent Name**

Old Republic Insurance Co.

**MFDR Tracking Number**

M4-23-1616-01

**Carrier's Austin Representative**

Box Number 44

**DWC Date Received**

March 10, 2023

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
04-08-2022	99203	\$38.00	\$15.28
<b>Total</b>		\$38.00	\$15.28

### Requestor's Position

"... When the claim was processed, CPT code 99203 was only reimbursed \$152.00. This amount was less than the agreed upon amount for Texas Worker's Comp... According to the Division of Texas Worker's Comp, the carrier is supposed to reimburse, 'provider agrees to accept as payment in full for Covered Services rendered to Participant the lesser of the Provider's actual billed charges or 180% of Texas Medicare allowable.' This was not done by the carrier when reimbursing for CPT code 99203. In this case 180%-should have been multiplied to the Medicare reimbursement rate for CPT code 99203 of \$109.04 (\$109.04 \* 1.80). The reimbursement should be \$196.80. Since the provider billed an amount less than the Texas Worker's Comp Fee schedule, the carrier is required to pay the full amount of the billed charges of \$190.00. Therefore, the carrier still owes the provider \$38.00 for CPT code 99203..."

**Amount in Dispute:** \$38.00

### Respondent's Position

The Austin carrier representative for Old Republic Insurance Co. is White Espey, PLLC. The representative was notified of this medical fee dispute on March 14, 2023. Per 28 Texas Administrative Code §133.307 (d)(1), if the DWC does not receive the response within 14 calendar days of the dispute notification, then the DWC may base its decision on the available

information. As of today, no response has been received from the insurance carrier or its representative. We will base this decision on the information available.

**Response Submitted by:** N/A

## 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. [Texas Labor Code §413.011](#) sets out reimbursement policies and guidelines for workers' compensation medical services
2. 28 Texas Administrative Code ([TAC](#)) [§133.307](#) sets out the procedures for resolving medical fee disputes.
3. [28 TAC §134.203](#) sets out the fee guideline for professional medical services.
4. Texas Insurance Code ([TIC](#)) [1451.104](#) allows for different reimbursement for medical doctors and nurse practitioners.

### 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.
- P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
- 00663 - REIMBURSEMENT HAS BEEN CALCULATED ACCORDING TO STATE FEE SCHEDULE GUIDELINES
- 252-1 - AN ATTACHMENT/OTHER DOCUMENTATION IS REQUIRED TO ADJUDICATE THIS CLAIM/SERVICE.
- 193 – Original payment decision is being maintained. Upon review it was determined that this claim was processed properly.

### Issues

1. How are the disputed services reimbursed under the Texas Workers' Compensation system?
2. Is the Requestor entitled to additional reimbursement?

### Findings

1. The service in dispute, new patient evaluation and management (E/M) visit, CPT code 99203, was rendered by a nurse practitioner (NP) on April 8, 2022. The insurance carrier issued a partial payment and denied the remaining charge with denial reason code 252, defined above.

The IC issued a payment in the amount of \$152.00 which is 80% of the billed amount. The

insurance carrier's reduction of payment is based on Medicare's non-physician reimbursement policies. The division will now consider if 80% of the billed amount reimbursement applies to NP's.

Texas Labor Code (TLC), Chapter 413 sets out the rights and responsibilities related to medical dispute resolution.

TLC 413.011, states in part,

(c) This section may not be interpreted in a manner that would discriminate in the amount or method of payment or reimbursement for services in a manner prohibited by Section [1451.104](#), Insurance Code, or as restricting the ability of chiropractors to serve as treating doctors as authorized by this subtitle. The commissioner shall also develop guidelines relating to fees charged or paid for providing expert testimony relating to an issue arising under this subtitle. (d) Fee guidelines must be fair and reasonable and designed to ensure the quality of medical care and to achieve effective medical cost control. The guidelines may not provide for payment of a fee in excess of the fee charged for similar treatment of an injured individual of an equivalent standard of living and paid by that individual or by someone acting on that individual's behalf. The commissioner shall consider the increased security of payment afforded by this subtitle in establishing the fee guidelines."

Texas Insurance Code [Sec. 1451.104](#) states in part:

(c) 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 nurse practitioners at a different amount than physicians.

28 TAC [§134.203](#) Medical Fee Guideline for Professional Services, states in pertinent part:

(a) (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...

(h) When there is no negotiated or contracted amount that complies with Labor Code §413.011, reimbursement shall be the least of the:

- (1) MAR amount;
- (2) health care provider's usual and customary charge, unless directed by Division rule to bill a specific amount; or
- (3) fair and reasonable amount consistent with the standards of §134.1 of this title.

Chapter 12 of the [Medicare Claims Processing Manual](#) states, "120 - Nurse Practitioner (NP) and Clinical Nurse Specialist (CNS) Services Payment Methodology (Rev. 2656, Issuance: 02-07-13, Effective: 02-19-13, Implementation: 02-19-13) See chapter 15, sections 200 and 210 of the Medicare Benefit Policy Manual, pub. 100- 02, for coverage policy for NP and CNS services. A.) General Payment: In general, NPs and CNSs are paid for covered services 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 NP 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."

A physician is paid for code 99203 at the Medicare rate plus a DWC multiplier. Reimbursing a NP at 80 percent of the actual charge is not the same methodology used for physician reimbursement and is contrary to TIC 1451.04(c). The DWC finds that the requestor is therefore *entitled to the least of 85% of the Medicare Physician Fee Schedule or the provider's customary charge.*

2. The requester, a nurse practitioner, is seeking additional reimbursement for E/M service, CPT code 99203, rendered on April 8, 2022. The division will apply the reimbursement rules for NP providers outlined above in finding #1 to determine if the requester is entitled to additional reimbursement.

28 TAC §134.203 applies to reimbursement of professional medical services, states in pertinent part, "(c) To determine the Maximum Allowable Reimbursement (MAR) for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery 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 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 DWC Conversion Factor divided by the Medicare Conversion Factor is 1.804878894
- Per the medical bill, the services were rendered in zip code 78666; therefore, the Medicare locality is 99, "Rest of Texas."
- The Medicare Participating amount for CPT code 99203 at this locality is \$109.04.
- 85% of the Medicare Fee Schedule = \$92.68
- Using the above formula, the division finds the MAR is \$167.28
- The requester billed \$190.00; the respondent previously paid \$152.00.
- MAR of \$167.28 is *the lesser of* the provider's charge and the MAR.
- The requestor is due an additional \$15.28 for CPT code 99203.

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 division 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 date of service April 8, 2022. It is ordered that the Respondent, Old Republic Insurance Co., must remit to the Requestor, Ashley Ferguson, \$15.28 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

**Authorized Signature**

		May 22, 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 managing 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).