



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Ochsner LSU Health
Shreveport

Respondent Name

Texas Mutual Insurance Co

MFDR Tracking Number

M4-23-1773-01

Carrier's Austin Representative

Box Number 54

DWC Date Received

March 20, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 21, 2022	99283	\$422.61	\$0.00
	Total	\$422.61	\$0.00

Requestor's Position

"The carrier as paid a majority of billed services, but denied the primary ER charge, 99283 as bundled. This procedure has a J2 status indicator which does not bundle into Q1 services."

Amount in Dispute: \$422.61

Respondent's Position

"Per NCCI edits, CPT code 99283 was included in the value of the comprehensive procedure CPT cde 12002. CPT code 12002 was reimbursed per OPPS fee schedule. Our position is that no payment is due."

Response submitted by: Texas Mutual

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 fee guidelines for outpatient hospital services.

Denial Reasons

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

- P12 – Workers' compensation jurisdictional fee schedule adjustment
- 236 – This billing code is not compatible with another billing code provided on the same day according to NCCI or workers compensation state regulations/fee schedule requirements
- 370 – This hospital outpatient allowance was calculated according to the APC rate, plus a markup
- 435 – Per NCCI edits, the value of this procedure is included in the value of the comprehensive package
- 618 – The value of this procedure is packaged into the payment of other services performed on the same date of service
- 767 – Paid per O/P fg at 200%. Implants not applicable or separate reimbursement (with cert) not requested per Rule 134.403(g)
- 193 – Workers' compensatuib jurisdictional fee schedule adjustment

Issues

1. Under what authority is the request for medical fee dispute resolution considered?
2. Is the requestor's position statement supported?
3. What rule is applicable to services rendered?
4. Is the requester entitled to additional reimbursement?

Findings

1. The requestor is a health care provider that rendered disputed services in the state of Louisiana to an injured employee with an existing Texas Workers' Compensation claim. The health care provider was dissatisfied with the insurance carrier's final action. The health care provider requested reconsideration from the insurance carrier and was denied payment after reconsideration.

The health care provider has requested medical fee dispute resolution under 28 Texas Administrative Code §133.307. Because the requestor has sought the administrative remedy outlined in 28 Texas Administrative Code §133.307 for resolution of the matter of the request for additional payment, the Division concludes that it has jurisdiction to decide the issues in this dispute pursuant to the Texas Workers' Compensation Act and applicable rules.

2. The requestor states in their position statement, "This procedure has a J2 status indicator which does not bundle into Q1 services. Beginning in 2016 CMS created Comprehensive Observation APC 8011. The instructions on how to process this claim is in IOC specifications V17.1 at www.cms.gov. These specifications state,

Comprehensive APC for Observation Services (v17.0) 1. Claims for observation services (SI = J2) meeting the following conditions are assigned under a single Comprehensive Observation APC payment rate, to include all services submitted on the claim:

- a. There is no procedure with SI = T present for the claim
 - b. HCPCS G0378 is reported with 8 or more service units
 - c. There is a visit code present from the following list on the same day or one day before HCPCS G0378: Type A/Type B emergency department visits, critical care, outpatient clinic visit, or HCPCS G0379 for direct referral is present on the same day as G0378
 - d. The claim does not contain a comprehensive APC procedure with SI = J1
2. If multiple visit codes with SI = J2 are present, the visit code with the highest standard APC payment rate is chosen as the comprehensive observation APC; all other visit codes are packaged (SI = N).
 3. *If the claim does not meet the conditions for comprehensive observation APC assignment, the visit code(s) is/are assigned their standard APC and SI.*

Review of the submitted medical bill found the required comprehensive requirements of observation code with units greater than eight hours is not met. The requestor's position statement is not supported. The services in dispute will be reviewed per applicable fee guidelines.

3. DWC Rule 28 TAC §134.403 (d) requires Texas workers' compensation system participants when coding, billing, reporting and reimbursement to apply Medicare payment policies in effect on the date of service.

The Medicare payment policy applicable to the services in dispute is found at www.cms.gov, Claims processing Manual, Chapter 4, Section 10.1.1. Specifically, Payment Status Indicators and Ambulatory Payment Category (APC).

DWC Rule 28 TAC 134.403 (e) states in pertinent part, regardless of billed amount, when no specific fee schedule or contract reimbursement shall be the maximum allowable reimbursement (MAR) amount under subsection (f) of this section including any applicable outlier payment amounts and reimbursement for implantables.

DWC Rule 28 TAC 134.403 (f) states in pertinent part 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 Medicare facility specific amount is calculated when the APC payment rate is multiplied by 60% to determine the labor portion. This amount is multiplied by the facility wage index for the date of service. The non-labor amount is determined when the APC payment rate is multiplied by 40%. The sum of the labor portion multiplied by the facility wage index and the non-labor portion determines the Medicare specific amount. Review of the submitted medical bill and the applica

- Procedure code 73090 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.
- Procedure code 12002 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.
- Procedure code 99283, review of the submitted medical bill found the requirements for J2 APC assignment is not met.

This code is assigned APC 5023 which has a status indicator of V. The OPPS Addendum A rate is \$236.35 multiplied by 60% for an unadjusted labor amount of \$141.81, in turn multiplied by facility wage index 0.8234 for an adjusted labor amount of \$116.77.

The non-labor portion is 40% of the APC rate, or \$94.54.

The sum of the labor and non-labor portions is \$211.31.

The Medicare facility specific amount is \$211.31 multiplied by 200% for a MAR of \$422.62.

- Procedure code 90715 has status indicator N, for packaged codes integral to the total service package with no separate payment; reimbursement is included with payment for the primary services.
- Procedure code 90471 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V.

4. The total recommended reimbursement for the disputed services is \$488.62. The insurance carrier paid \$588.86. Additional payment is not 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 not entitled to additional reimbursement for the disputed services.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

April 28, 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.