

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Doctoirs Hospital at Renaissance

Respondent Name

TASB Risk Management Fund

MFDR Tracking Number

M4-23-1815-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

March 23, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
December 8, 2022	N46332347237ML	\$0.00	\$0.00
December 8, 2022	Drsg spint plaster 5"	\$0.00	\$0.00
December 8, 2022	A6222	\$0.00	\$0.00
December 8, 2022	Dressing Gauze 4" x 4" st	\$0.00	\$0.00
December 8, 2022	C1713	\$0.00	\$0.00
December 7, 2022	36415	\$0.00	\$0.00
December 7, 2022	80048	\$0.00	\$0.00
December 7, 2022	85027	\$0.00	\$0.00
December 8, 2022	11012 59	\$2167.14	\$0.00
December 8, 2022	11760 F3	\$478.70	\$0.00
December 8, 2022	11760F4	\$478.70	\$0.00
December 8, 2022	26746 F4	\$5176.84	\$0.00
December 8, 2022	26746 F3	\$2588.42	\$0.00
December 8, 2022	26765 F3	\$2588.42	\$0.00
December 8, 2022	11012 LT	\$2167.14	\$0.00
December 8, 2022	Anesthesia Gen Level-1	\$0.00	\$0.00
December 8, 2022	J18825	\$0.00	\$0.00
December 8, 2022	J2405	\$0.00	\$0.00
December 8, 2022	J3010	\$0.00	\$0.00

December 8, 2022	J0690	\$0.00	\$0.00
December 8, 2022	J2704	\$0.00	\$0.00
December 8, 2022	J0360	\$0.00	\$0.00
December 8, 2022	A9270	\$0.00	\$0.00
December 8, 2022	Recovery Room 1 st Hour	\$0.00	\$0.00
December 8, 2022	96374	\$373.96	\$0.00
	Total	\$11,799.61	\$0.00

Requestor's Position

The requestor did not submit a position statement with this request for MFDR but did submit a copy of their reconsideration that states in pertinent part, "According to TWCC guidelines, Rule §134.403 states that the reimbursement calculation used for establishing the MAR shall be by applying the Medicare facility specific amount. ...there is a pending payment in the amount of \$10,842.49."

Amount in Dispute: \$11,799.61

Respondent's Position

"The request will be standing on the previous allowance of \$5,176.83, and no additional allowance is recommended as this has been processed correctly and paid per the Texas Fee Schedule."

Response submitted by: TASB

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:

- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly
- 306 – The implant is included in this billing and is reimbursed at the higher percentage

calculations

- 351 – No additional reimbursement allowed after review of appeal/reconsideration
- 370 – This hospital outpatient allowance was calculated according to the APC rate, plus a markup
- 617 – This item or service is not covered or payable under the Medicare Outpatient fee schedule
- 97 – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated
- P12 – Workers' compensation jurisdictional fee schedule adjustment

Issues

1. What rule(s) is applicable to reimbursement?
2. Is the requester entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement for outpatient hospital services rendered in December 2022. The insurance carrier reduced the payment based on workers' compensation fee schedule and packaging.

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 applicable fee guidelines referenced above is shown below.

- Procedure code A6222 has status indicator N, for packaged codes integral to the total service package with no separate payment.
- Procedure code C1713 has status indicator N, for packaged codes integral to the total service package with no separate payment.
- Procedure code 36415 is packaged into primary J1 procedure.
- Procedure code 80048 is packaged into primary J1 procedure.
- Procedure code 85027 is packaged into primary J1 procedure.
- Procedure code 11012 is packaged into primary J1 procedure.
- Procedure code 11760 is packaged into primary J1 procedure.
- Procedure code 11760 is packaged into primary J1 procedure.
- Procedure code 26746 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 has a comprehensive primary assignment of 1,812 the highest of all J1 procedures on the medical bill. This code is the only payable code and 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 0.8249 for an adjusted labor amount of \$1,431.51.

The non-labor portion is 40% of the APC rate, or \$1,156.91.

The sum of the labor and non-labor portions is \$2,588.42.

The Medicare facility specific amount is \$2,588.42 multiplied by 200% for a MAR of \$5,176.84.

- Procedure code 26746 is packaged into primary J1 procedure.
- Procedure code 26765 is packaged into primary J1 procedure.
- Procedure code 11012 is packaged into primary J1 procedure.
- Procedure code J1885 has status indicator N, for packaged codes integral to the total service package with no separate payment.
- Procedure code J2405 has status indicator N, for packaged codes integral to the total service package with no separate payment.

- Procedure code J3010 has status indicator N, for packaged codes integral to the total service package with no separate payment.
- Procedure code J0690 has status indicator N, for packaged codes integral to the total service package with no separate payment.
- Procedure code J2704 has status indicator N, for packaged codes integral to the total service package with no separate payment.
- Procedure code J0360 has status indicator N, for packaged codes integral to the total service package with no separate payment.

2. The total recommended reimbursement for the disputed services is \$5,176.84. The insurance carrier paid \$5,176.83. 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 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.