



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Hunt Regional Medical Center

Respondent Name

Texas Mutual Insurance Co

MFDR Tracking Number

M4-23-2270-01

Carrier's Austin Representative

Box Number 54

DWC Date Received

May 12, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
May 17, 2022	Revenue Code 250	\$24.80	\$0.00
May 17, 2022	CPT Code 12002	\$513.00	\$0.00
May 17, 2022	CPT 99285	\$2,200.00	\$1,037.88
	Total	\$2,737.80	\$1,037.88

Requestor's Position

"The claim at issue was sent to Texas Mutual on May 23, 2022, to Gramazini on June 24, 2022, and again to Texas Mutual (by Gramazini email) on July 15, 2022, all of which were less than 95 days from the May 19 [sic], 2022 date of service."

Amount in Dispute: \$2,737.80

Respondent's Position

"Texas Mutual maintain its position regarding the untimely denial, the rationale given by the requestor for the late bill is not consistent with the Rule above."

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 Texas Administrative Code §134.20](#) sets out requirements of medical bill submission.
3. [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:

- 29 – The time limit for filing has expired
- 731 – Per 133.20(b) Provider shall not submit a medical bill later than the 95th day after the date of service

Issues

1. Did the requestor support timely submission of medical claim?
2. What rule is applicable to fee guideline of disputed service?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking reimbursement for outpatient emergency room services rendered on May 17, 2022. The insurance carrier denied the claim as not submitted within required time frame.

DWC Rule 28 TAC §133.20 (b) states in pertinent part,

(b) Except as provided in Labor Code §408.0272(b), (c) or (d), a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided.

Review of the submitted documentation found Texas Mutual acknowledged receipt of the medical claim on August 10, 2022 via notice of denial of compensability/liability and refusal to pay benefits. Correspondence between the employer and Texas Mutual resolved this issue

but Texas Mutual did not process the medical claim until January 13, 2023 despite many attempts by the requestor to have the claim adjudicated. The insurance carrier's denial is not supported. The disputed service will be reviewed per applicable fee guideline.

2. 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 12002 has status indicator Q1, for STV-packaged codes; reimbursement is packaged with payment for any service assigned status indicator S, T or V. This code is packaged into code 99285.
- Procedure code 99285 has status indicator J2 subject to comprehensive packaging if 8 or more hours observation billed. As observation was not billed this code is assigned APC 5025 with status indicator of V.

The OPPS Addendum A rate is \$533.27 multiplied by 60% for an unadjusted labor amount of \$319.96, in turn multiplied by facility wage index 0.9552 for an adjusted labor amount of \$305.63.

The non-labor portion is 40% of the APC rate, or \$213.31.

The sum of the labor and non-labor portions is \$518.94.

The Medicare facility specific amount is \$518.94 multiplied by 200% for a MAR of \$1,037.88.

3. The total recommended reimbursement for the disputed services is \$1,037.88. The insurance carrier paid \$0.00. The amount due is \$1,037.88.

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 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. It is ordered that Texas Mutual Insurance Co must remit to Hunt Regional Medical Center \$1,037.88 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

		June 8, 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. 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 electronico CompConnection@tdi.texas.gov.