



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Peak Integrated
Healthcare

Respondent Name

Zurich American Insurance Co

MFDR Tracking Number

M4-23-2736-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

June 26, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 20, 2023	97110-GP	\$346.86	\$183.02
March 20, 2023	97112-GP	\$132.76	\$0.00
March 31, 2023	97110-GP	\$346.86	\$183.02
March 31, 2023	97112-GP	\$132.76	\$0.00
April 5, 2023	97110-GP	\$346.86	\$214.32
April 5, 2023	97112-GP	\$132.76	\$0.00
Total		\$1438.86	\$580.36

Requestor's Position

The requestor did not submit a position statement for this request for MFDR. They did submit a copy of their reconsideration request with a handwritten note "We received no further payment or denial for 4/5/2023 dos."

Amount in Dispute: \$1438.86

Respondent's Position

The Austin carrier representative for Zurich American Insurance Co is Flahive, Ogden & Latson. The representative was notified of this medical fee dispute on July 4, 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.

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 §134.203](#) sets out the fee guidelines for physical therapy.

Denial Reasons

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

- 01 – The charge for the procedure exceeds the amount indicated in the fee schedule.
- APRV – The Provider's charges were reviewed with consideration of the Payor's UR/Pre-Authorization Decision(s) governing the Claimant. The listed Allowance reflects the result(s) of their Decision(s) and all applicable Bill Review Decision(s).
- MZ – The usual treatment session provided in the home or office setting is 30 to 45 minutes. The medical necessity of services for an unusual length of time must be documented.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- WOCP – WorkCompEDI Scanning/Data Capture of Professional bill.
- @F – Additional payment made on appeal/reconsideration.
- QA – Additional payment is due as a result of the reconsideration of the charges.
- W3 – The Benefit for this Service is included in the payment/allowance for another service/procedure that has been performed the same day.

Issues

1. Are the insurance carrier's denials supported?
2. What rule is applicable to reimbursement?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking reimbursement of physical therapy services rendered in March and April of 2023. The insurance carrier reduced the following codes, due to number of units, based on lack of prior authorization, and length of session.
 - 97110 – Therapeutic exercise
 - 97112 – Neuromuscular re-education of movement, balance, coordination, and kinesthetic sense

Review of the submitted documentation found "Medata" certified physical therapy 6 sessions. This certification did not limit the number of units or time. This certification did not exclude any physical therapy codes. The insurance carrier's denial is not supported. The disputed services will be reviewed per applicable fee guidelines.

2. The applicable DWC fee guideline for physical therapy is 28 TAC §134.203 (b) (1) which requires the application of Medicare payment policies applicable to professional services.

DWC Rule 28 TAC §134.203 (c)(1) states, "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, 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..."

On the disputed dates of service, the requestor billed CPT codes 97110-GP (x6) and 97112-GP (x2). The multiple procedure rule discounting applies to the disputed service.

Medicare Claims Processing Manual Chapter 5, 10.3.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions for Outpatient Rehabilitation Services, states:

Full payment is made for the unit or procedure with the highest PE payment. For subsequent units and procedures with dates of service prior to April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment is made for the PE for services submitted on professional claims (any claim submitted using the ASC X12 837 professional claim format or the CMS-1500 paper claim form) and 75 percent payment is made for the PE for services submitted on institutional claims (ASC X12 837 institutional claim format or Form CMS-1450).

For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 50 percent payment is made for the PE for services submitted on either professional or institutional claims.

To determine which services will receive the MPPR, contractors shall rank services according to the applicable PE relative value units (RVU) and price the service with the highest PE RVU at 100% and apply the appropriate MPPR to the remaining services. When the highest PE RVU applies to more than one of the identified services, contractors shall additionally sort and rank these services according to highest total fee schedule amount, and price the service with the highest total fee schedule amount at 100% and apply the appropriate MPPR to the remaining services.

The MPPR Rate File that contains the payments for 2023 services is found at <https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

- The dates of service are March 20, 2023, March 31, 2023, and April 5, 2023.
- The DWC conversion factor for 2023 is 64.83.
- The Medicare conversion factor for 2023 is 33.8872.
- MPPR rates are published by carrier and locality.
- Review of Box 32 on the CMS-1500 finds that the services were rendered in zip code 75043; therefore, the Medicare locality is "Garland, Texas."

The following formula represents the calculation of the DWC MAR at §134.203 (c)(1) & (2).

$$(\text{DWC Conversion Factor} \div \text{Medicare Conversion Factor}) \times \text{Medicare Payment} = \text{MAR}$$

Applicable DWC Rule 28 TAC 134.203(h) states that the total reimbursement is the lesser of the maximum allowable reimbursement (MAR) and the billed amount.

Date of Service	Code	Units	Medicare Payment	DWC Conversion Factor divided by Medicare Conversion Factor or 64.83/33.8872 = 1.91	Billed Amount	Lesser of MAR and billed amount
March 20, 2023	97110	6	\$29.49 1 st unit \$22.43 2 nd – 6 th units	\$56.42 \$214.56 Total \$270.98	\$346.86	\$270.98
March 20, 2023	97112	2	\$25.45	\$97.38	\$132.72	\$97.38
March 31, 2023	97110	6	\$29.49 1 st unit \$22.43 2 nd – 6 th units	\$56.42 \$214.56 Total \$270.98	\$346.86	\$270.98
March 31, 2023	97112	2	\$25.45	\$97.38	\$132.72	\$97.38
April 5, 2023	97110	6	\$29.49 1 st unit \$22.43 2 nd – 6 th units	\$56.42 \$214.56 Total \$270.98	\$346.86	\$270.98
April 5, 2023	97112	2	\$25.45	\$97.38	\$132.72	\$97.38
Total						\$1105.08

3. The total allowable DWC fee guideline reimbursement is \$1105.08. The insurance carrier paid on the following dates and amounts.

- April 26, 2023 \$116.30 check number 3331200
- May 4, 2023 \$232.50 check number 3331314
- June 6, 2023 \$87.96 check number 3331788
- June 13, 2023 \$87.96 check number 3331862
- Total \$524.72.

The requestor is entitled to an additional payment of \$580.36. This amount 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 established that additional reimbursement of \$580.36 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to \$580.36 reimbursement for the disputed services. It is ordered that Zurich American Insurance Co must remit to Peak Integrated Healthcare \$580.36 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

		August 31, 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 electrónico CompConnection@tdi.texas.gov.