



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Dallas Doctors' Professional Association

**Respondent Name**

Ace American Insurance Co.

**MFDR Tracking Number**

M4-23-2899-01

**Carrier's Austin Representative**

Box Number 15

**DWC Date Received**

July 14, 2023

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
04/21/2023	97530 x 2	\$139.62	\$124.22
04/28/2023	97530 x 2	\$139.62	\$124.22
<b>Total</b>		\$279.24	\$248.44

### Requestor's Position

"I am submitting this MDR due to non-payment from Gallagher Bassett Workers Compensation Insurance. I have received two denials for DOS 04/21/23 total amount billed \$450.19 and DOS 4/28/23 \$450.19 The denials on each EOB give several different reasons. The overall denial seems to be that claim has previously been paid, which has not. CPT 97530x2 has not been paid for either DOS 04/21/23 or 4/28/23. Sufficient information was submitted; however, Gallagher Bassett has denied my claim. At this time, I am asking that this DOS's to be re-reviewed and paid according to the workers compensation fee schedule, plus any applicable accrued interest."

**Amount in Dispute:** \$279.24

### Respondent's Supplemental Position

"Our bill audit company has determined no further payment is due. The rationale for this determination is found below. DOS: 04/21/2023 - 04/28/2023 Rationale: Denial for CPT 97530 is upheld on both reviews as per following summary. Documentation is not supported by the information in the medical record."

**Response Submitted by:** Gallagher Bassett

## 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 Texas Administrative Code \(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.203](#) sets out the fee guideline for professional medical services.

### Denial Reasons

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

- 119 – Benefit maximum for this time period or occurrence has been reached.
- 163 – The charge for this procedure exceeds the unit value and/or multiple procedure rules.
- P12 – Workers' Compensation Jurisdictional Fee Schedule Adjustment.
- B12 – Services not documented in patient medical records.
- 247 – A payment or denial has already been recommended for this service. (Reconsideration EOB)
- B13 – Previously paid. Payment for this claim/service may have been provided in a previous payment. (Reconsideration EOB)

### Issues

1. Is the Insurance Carrier's denial reason(s) supported?
2. Is the Requestor entitled to reimbursement?

### Findings

1. The requestor seeks reimbursement for CPT Code 97530 x 2 units rendered on April 21, 2023, and April 28, 2023. The insurance carrier denied the disputed services with reason codes indicated above.

CPT code 97530 is described as Therapeutic Activities, direct (one-on-one) patient contact (use of dynamic activities to improve functional performance), each 15 minutes. This code requires direct contact with the patient by a qualified health care provider and is reported in 15-minute units (15-minutes = 1 unit).

Review of submitted medical records finds that for each disputed date of service, the health care provider documented 25 minutes spent on therapeutic activities, stating that "The patient participated in therapeutic activities (one on one) with the provider which consisted of the patient doing activities that improve/enhance the patient's stability strength, stamina, endurance and overall function of the injured areas."

Per CMS article Medicare Claims Processing Manual Chapter 5 - Part B Outpatient Rehabilitation and CORF/OPT Services Table of Contents (Rev. 11129, 11-22-21) "...If the duration of a single modality or procedure in a day is greater than or equal to 23 minutes, through and including 37 minutes, then 2 units should be billed."

The article offers the following example which applies to the disputed service:  
2 units: ≥ 23 minutes through 37 minutes.

The DWC finds that the requestor met the documentation requirements for rendering Therapeutic Activities, CPT code 97530 x 2 units, on each disputed date of service.

The DWC finds that the insurance carrier did not provide evidence that a benefit maximum for this service had been reached nor that the services had been previously reimbursed.

The DWC finds that the insurance carrier's denial reasons are not supported.

2. The requestor is seeking reimbursement in the total amount of \$279.24 for Therapeutic Activity services rendered on April 21, 2023, and April 28, 2023.

The fee guidelines for the disputed service are found at 28 TAC §134.203.

28 TAC §134.203(a)(5) states, "'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."

The requestor billed 2 units of CPT code 97530 on each disputed date of service, April 21, 2023, and April 28, 2023. The definition of the disputed CPT code is indicated above in finding number one. The requestor appended the "GP" modifier to the code on each disputed date of service. The "GP" modifier is described as "Services delivered under an outpatient physical therapy plan of care."

Medicare Claims Processing Manual Chapter 5, 10.3.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions (MPPR) 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.

Review of the Medicare policies finds that the multiple procedure payment reduction (MPPR) applies to the Practice Expense (PE) of certain time-based physical therapy codes when more than one unit or procedure is provided to the same patient on the same day. Medicare publishes a list of the codes subject to MPPR annually.

The MPPR Rate File that contains the payments for 2023 services is found at:  
[www.cms.gov/Medicare/Billing/TherapyServices/index.html](http://www.cms.gov/Medicare/Billing/TherapyServices/index.html).

The DWC finds that CPT Code 97530 has the highest PE payment amount of the services billed by the provider on the disputed dates, therefore, the reduced PE payment applies to all other services.

28 TAC §134.203 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. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32. (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..."

- MPPR rates are published by carrier and locality.
- Per the medical bills, the services were rendered in zip code 75220; Medicare locality is 11, Dallas, TX.
- To determine the MAR the following formula is used:  
(DWC Conversion Factor/Medicare Conversion Factor) X Medicare Payment = MAR
- The 2023 DWC Conversion Factor is 64.83
- The 2023 Medicare Conversion Factor is 33.8872
- The Medicare Participating amount for CPT code 97530 at this locality in 2023 is \$38.15 for the first unit and \$26.78 for subsequent units.
- Using the above formula, the DWC finds the MAR is \$72.99 for the first unit and \$51.23 for subsequent units. Therefore, the MAR for 97530 x 2 units = \$124.22 on each disputed date of service, April 21, 2023, and April 28, 2023.
- The respondent paid \$0.00 each disputed date of service.
- Reimbursement in the amount of \$124.22 is recommended for CPT code 97530 x 2 units rendered on each date of service April 21, 2023, and April 28, 2023.

## 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 reimbursement in the amount of \$248.44 is due.

## **Order**

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to reimbursement for the disputed services. It is ordered that the Respondent, Ace American Insurance Co., must remit to the Requestor, Dallas Doctors' Professional Association, \$248.44 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

## **Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
August 16, 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](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 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](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).