

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Baylor Orthopedic & Spine Hospital

Respondent Name

LM Insurance Corp

MFDR Tracking Number

M4-23-3018-01

Carrier's Austin Representative

Box Number 1

DWC Date Received

August 1, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 9 -10, 2022	C1713	\$414.29	\$0.00
September 9 -10, 2022	36415	\$3.78	\$0.00
September 9 -10, 2022	80053	\$13.20	\$0.00
September 9 -10, 2022	81003	\$2.81	\$0.00
September 9 -10, 2022	81025	\$10.76	\$0.00
September 9 -10, 2022	85025	\$9.71	\$0.00
September 9 -10, 2022	85610	\$5.36	\$0.00
September 9 -10, 2022	85730	\$7.51	\$0.00
September 9 -10, 2022	87641	\$43.86	\$0.00
September 9 -10, 2022	24635	\$0.00	\$0.00
Total		\$314.63[sic]	\$0.00

Requestor's Position

"The attached claim was processed and paid correctly. Please recalculate the fee schedule allowed amounts on all surgical procedures making sure to use the correct national rate and the wage index for the city where the facility is located. This clean claim was billed requesting the surgical procedure be paid at 130% of CMS with separate reimbursement for our implants.

According to Texas Workers Compensation Rule 134.402, "Implantable devices are

reimbursed at the providers cost plus 10% up to \$1,000.00 per item or \$2,000.00 per case."

Amount in Dispute: \$314.63

Respondent's Position

"The provider billed the implants at the cost amount of the implant according to the manufacturer invoice. According to Texas Administrative Code Chapter 134 for Hospital Facility Fee Guideline-Outpatient payment of separately reimbursable implants is lesser of the manufacturer invoice amount. If the provider bills at the cost of the implant as shown on the manufacturer invoice the provider is paid at the manufacturer cost. The carrier is not required to apply 10% markup above the line charge due to the lesser of logic in the Texas Administrative Code for implant payment.

Response submitted by: Liberty Mutual Insurance

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 requirements for requesting implant reimbursement.

Denial Reasons

The insurance carrier reduced or denied the disputed service(s) with the following claim adjustment codes.

- 4915 – The charge for the service represented by the code is included/bundled into the total facility payment and does not warrant a separate payment. Status indicator determines the service is packaged or excluded from payment.
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- 243 – The charge for this procedure was not paid since the value of this procedure is included/bundled within the value of another procedure performed.
- 899 – In accordance with Clinical Based Coding Edits (National Correct Coding Initiative/Outpatient Code Editor) Component codes of comprehensive surgery; Musculoskeletal system procedure (20000-29999) has been disallowed.

- 802 – Charge for this procedure exceeds the OPPS schedule allowance.

Issues

1. Did the requestor support the cost of the implants?
2. What rule is applicable to disputed claim lines?

Findings

1. The requestor has listed the amount of \$414.29 in dispute for Code C1713 (implants). DWC Rule 28 TAC §134.403(g) (1) states in pertinent part, "A facility or surgical implant provider billing separately for an implantable shall include with the billing a certification that the amount billed represents the actual cost (net amount, exclusive of rebates and discounts) for the implantable. The certification shall include the following sentence: "I hereby certify under penalty of law that the following is the true and correct actual cost to the best of my knowledge."

Review of the submitted documentation found the required certification was not included in the submitted documents. The cost of implants is not supported. No additional payment is recommended.

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).

Review of the submitted medical bill and the applicable fee guidelines referenced above is shown below.

- Per Medicare policy, procedure code 36415 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.
- Per Medicare policy, procedure code 80053 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.
- Per Medicare policy, procedure code 81003 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.
- Per Medicare policy, procedure code 81025 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.
- Per Medicare policy, procedure code 85025 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.
- Per Medicare policy, procedure code 85610 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.

- Per Medicare policy, procedure code 85730 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.
- Per Medicare policy, procedure code 87641 has a status indicator of Q4 and is bundled into primary comprehensive J1 code. Separate payment is not recommended.
- Code 24635 has a "0" amount in dispute.

Based on the applicable payment policy of the codes in dispute the Q4 codes are not separately payment no payment 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 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 \$0.00 additional reimbursement for the disputed services.

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.