



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Providence Sierra

Respondent Name

Hartford Lloyds Insurance Co

MFDR Tracking Number

M4-24-1218-01

Carrier's Austin Representative

Box Number 47

DWC Date Received

January 30, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 16, 2023	0250	\$691.00	\$0.00
March 16, 2023	0278	\$44344.00	\$0.00
March 16, 2023	0320	\$326.00	\$0.00
March 16, 2023	0360	\$125567.00	\$604.51
March 16, 2023	0370	\$15092.00	\$0.00
March 16, 2023	0636	\$2703.00	\$0.00
March 16, 2023	0710	\$6610.00	\$0.00
March 16, 2023	WC PAYMENTS	(11549.52)	\$0.00
March 16, 2023	WC ADJUSTMENTS	-\$17877.54	\$0.00
Total		\$5008.94	\$604.51

Requestor's Position

"The Hospital's records reflect the patient was injured in a work related injury. The Hospital provided the medically necessary services on the above dates of service. The Hospital billed The Hartford, but the bill was underpaid and not paid in accordance with Chapter 134 regarding proper reimbursement for implantables. However, despite the Hospital's efforts and Request for Reconsideration to The Hartford has not rendered proper payment."

Amount in Dispute: \$5008.94

Respondent's Position

"ForeSight is disagreeing with the provider that an additional allowance is due for the implants. Provider has been paid in accordance with the Texas Statute for the implants. As such, ForeSight contends the provider has been adequately compensated for the implants with a total allowance of \$3,645.40.

Response submitted by: ForeSight Medical

Supplemental response February 14, 2024.

After further review of the documentation submitted with this dispute, there is no additional amount warranted.

Response submitted by: The Hartford

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 §133.20](#) sets out billing requirements for outpatient hospital medical bills.
3. [28 TAC §134.403](#) sets out the fee guidelines for outpatient hospital services.

Denial Reasons

- 11 – The recommended allowance for the supply was based on the attached invoice.
- 16 – Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
- 97 – Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- 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.
- 502 – Charge for this procedure exceeds the OPPS schedule allowance.
- 943 – Documentation does not support billed charge no recommendation of payment can be made.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.

Issues

1. What is the rule applicable to reimbursement?
2. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking payment of surgical procedure rendered March 16, 2023 in an outpatient hospital setting. The insurance carrier reduced/denied the charges based on lack of documentation and workers compensation jurisdictional fee schedule.

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)(1)(A)(B) states in pertinent parts 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 sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by: (A) 200 percent; unless (B) a facility or surgical implant provider requests separate reimbursement in accordance with subsection (g) of this section, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 130 percent.

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 24342 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 is assigned APC 5114. The OPPS Addendum A rate is \$6,614.63 multiplied by 60% for an unadjusted labor amount of \$3,968.78, in turn multiplied by facility wage index 0.8631 for an adjusted labor amount of \$3,425.45.

The non-labor portion is 40% of the APC rate, or \$2,645.85.

The sum of the labor and non-labor portions is \$6,071.30.

The Medicare facility specific amount is \$6,071.30 multiplied by 200% for a MAR of \$12,142.60.

- Procedure code 24999 has a status indicator of T. Reimbursement for this is included with payment for the primary procedure.
- Procedure code 64999 has a status indicator of T. Reimbursement for this is included with payment for the primary procedure.
- Procedure code C1713 represents the charges for implants. DWC Rule 28 TAC §133.20 (f)(2)(QQ) states, "remarks (UB-04/field 80) is required when separate reimbursement for surgically implanted devices is requested." Review of the submitted medical bill found this field did not contain a request for separate implant reimbursement. The reimbursement for the implants is packaged into primary procedure.
- Procedure code 73070 has a status indicator of Q1. Reimbursement for this is included with payment for the primary procedure.
- Procedure code J0690 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J1170 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J1885 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J2250 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J2405 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J2704 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J2710 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J2765 has status indicator N reimbursement is included with payment for the primary services.
- Procedure code J3010 has status indicator N reimbursement is included with payment for the primary services.

- Procedure code J7120 has status indicator N reimbursement is included with payment for the primary services.
2. The total recommended reimbursement for the disputed services is \$12,142.60. The insurance carrier paid \$11,538.09. The amount due is \$604.51. 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 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 Hartford Lloyds Insurance Co must remit to Providence Sierra \$604.51 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

		February 29, 2024
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.