

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Division regarding a medical fee dispute between the requestor and the respondent named above. This dispute was received on 11-7-03.

I. DISPUTE

Whether there should be additional reimbursement for E0781 & L3670 on date of service 7-8-03. The Respondent denied E0781 as "M – NO MAR" and L3670 as "M-fair and reasonable reimbursement in accordance with rule 133.304(I)".

II. FINDINGS

On 12-22-03, the Division received a letter of withdrawal for the medical necessity issues. On 12-23-03, the Division submitted a Notice to the requestor to submit additional documentation necessary to support the fee charges and to challenge the reasons the respondent had denied reimbursement within 14 days of the requestor's receipt of the Notice.

III. RATIONALE

Texas Labor Code 413.011 (d), Commission Rule 133.307 (g)(3)(D) and Rule 133.304 (i) (1-4) places certain requirements on the Carrier when reducing the services for which the Commission has not established a maximum allowable reimbursement. The Respondent is required to develop and consistently apply a methodology to determine fair and reasonable reimbursement and explain and document the method used for the calculation. The Respondent submitted a methodology that states they used its Ingenix software that identified payment based upon a database of charges by geographic (zip code) region specific to the HCPCS code used. Using this methodology, the respondent determined reimbursement for the requestor's geographic location. The requestor billed \$485.00 for E0781 and \$450.00 for L3670.

Per Rule 133.307(g)(3)(D), the Requestor is also required to discuss, demonstrate and justify that the payment being sought is a fair and reasonable rate of reimbursement. The Requestor has provided sample EOBs as evidence that the fees billed are for similar treatment of injured individuals and that reflect the fee charged to and paid by other carriers. Only one EOB met these criteria.

The Respondent in this case has provided a methodology as required by the rule while the Requestor's evidence does not sufficiently justify that the Respondent's reimbursement was not fair and reasonable. The Respondent reimbursed the Requestor \$231.00 for E0781 and \$109.00 for L3670. Therefore, no additional reimbursement is recommended.

IV. DECISION

Based upon the review of the disputed healthcare services within this request, the Division has determined that the requestor **is not** entitled to additional reimbursement for HCPCS codes E0781 and L3670.

This Decision is hereby issued this 12th day of April 2004.

Dee Z. Torres
Medical Dispute Resolution Officer
Medical Review Division

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