

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 12/20/03.

I. DISPUTE

Whether there should be reimbursement for the rental of a RS4I Sequential Stimulator/4 channel muscle stimulator/interferential electrotherapy device for dates of service 7/03/03 through 8/02/03 and 8/03/03 through 9/02/03. The Carrier denied reimbursement as “RD – The reimbursement for the service rendered has been determined to be fair and reasonable based on billing and payment research and is in accordance with Labor Code 413.011(B). YO- Reimbursement was reduced or denied after reconsideration of treatment/service billed.”

II. RATIONALE

Dates of Service 7/03/03 through 8/02/03 and 8/03/03 through 9/02/03; Monthly rental of E1399 RS4I Sequential Stimulator/4 Channel Muscle Stimulator/Interferential Electrotherapy Device

Based on correspondence dated 12/22/03, from the Requestor ____, the request for Medical Dispute Resolution by an Independent Review Organization for medical necessity has been withdrawn for date of service 8/03/03 through 9/02/03. The initial EOB of 8/26/03 denied reimbursement as “U” unnecessary medical treatment. The reconsideration EOB of 9/18/03, issued a reimbursement, however, denied additional reimbursement as “M” determined to be fair and reasonable. Therefore medical necessity issues did not exist. On 12/29/03, a Notice was faxed 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 this Notice.

The Requestor billed \$250.00 a month for DME. The Carrier reimbursed \$150.00 for each month. The amount left in dispute is \$200.00.

Texas Labor Code 413.011 (d) and Commission 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 received a “Notice of Dispute Resolution” on 12/03/03. The Commission forwarded the Requestor’s additional documentation to the Respondent on 12/29/03. The Respondent has failed to respond according to TWCC Rule 133.307(h). The Respondent has not supported their position of fair and reasonable reimbursement.

Review of this dispute will be based on documentation provided by the Requestor. 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 redacted 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. On this basis, reimbursement is recommended in the amount of \$200.00(\$250.00 billed x 2 months rental = \$500.00 - \$300.00 Carrier reimbursement = \$200.00).

III. DECISION & ORDER

Based upon the review of the disputed healthcare services within this request, the Division has determined that the Requestor **is** entitled to reimbursement for HCPCS code E1399 in the amount of **\$200.00**. (Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Division hereby **ORDERS** the Respondent to remit **\$200.00** plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this Order.

The above Findings, Decision and Order are hereby issued this 17th day of May 2004.

Pat DeVries
Medical Dispute Resolution Officer
Medical Review Division

PD/pd