

MDR Tracking Number: M5-04-4313-01

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 6/14/04.

I. DISPUTE

Whether there should be reimbursement for dates of service 7/11/03 through 10/12/03. The Carrier denied reimbursement as “V – Unnecessary medical treatment and or services with peer review. N 1 – This charge is denied because an invalid procedure code was submitted on this bill. N 2 – This procedure code or National Drug Code NDC is not valid for this date of service. F 1 – The charge for this procedure exceeds the fee schedule or usual and customary allowance.”

II. FINDINGS

On 9/02/04, the Requestor withdrew dates of service 8/15/03 and 10/12/03 denied as “V”, the medical necessity portion of the dispute. On 9/09/04, a Notice was sent 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.

III. RATIONALE

Date of Service 7/11/03; CPT Code 99213 (\$73.00)

The Carrier’s EOB of 4/09/04, denied reimbursement as “N 1 – This charge is denied because an invalid procedure code was submitted on this bill.” The Carrier’s EOB is unclear. By Commission standards payment exception code “N” is not documented. Pursuant to Rule 133.304(c), “The explanation of benefits shall include the correct payment exception code required by the Commission’s instructions, and shall include sufficient explanation to allow the sender to understand the reason(s) for the carrier’s action(s). A generic statement that simply states a conclusion such as “not sufficiently documented” or other generic phrases with no further description of the reason for the reduction or denial of payment does not satisfy the requirements of this section.” In accordance with Rule 133.307 (g)(3)(A-F), the requestor submitted relevant medical documentation to support delivery of service. Therefore, reimbursement at the MAR is recommended in the amount of \$48.00.

Date of Service 7/11/03; CPT Code 90782 (\$32.00)

The Carrier denied reimbursement as “N 1 - This charge is denied because an invalid procedure code was submitted on this bill.” The Carrier’s EOB is unclear. By Commission standards payment exception code “N” is not documented. Pursuant to Rule 133.304(c), “The explanation

of benefits shall include the correct payment exception code required by the Commission's instructions, and shall include sufficient explanation to allow the sender to understand the reason(s) for the carrier's action(s). A generic statement that simply states a conclusion such as

"not sufficiently documented" or other generic phrases with no further description of the reason for the reduction or denial of payment does not satisfy the requirements of this section." In accordance with Rule 133.307 (g)(3)(A-F), the requestor submitted relevant information to support delivery of service. Therefore, reimbursement at the MAR amount is recommended in the amount of \$13.00.

Date of Service 7/11/03; HCPCS Code J0592 (\$32.00)

The Carrier denied reimbursement as "N 2 - This procedure code or National Drug Code NDC is not valid for this date of service. According to the 1996 Medical Fee Guideline this is a valid code. In accordance with Rule 133.307 (g)(3)(A-F), the requestor submitted relevant information to support delivery of service. The Carrier did not raise the issue of fair and reasonable for a DOP code. Therefore, reimbursement is recommended in the amount of \$32.00.

Date of Service 7/11/03; HCPCS Code J2550 (\$103.00)

The Carrier's EOB of 4/09/04, denied reimbursement as "N 1 – This charge is denied because an invalid procedure code was submitted on this bill." The Carrier's EOB is unclear. By Commission standards payment exception code "N" is not documented. Pursuant to Rule 133.304(c), "The explanation of benefits shall include the correct payment exception code required by the Commission's instructions, and shall include sufficient explanation to allow the sender to understand the reason(s) for the carrier's action(s). A generic statement that simply states a conclusion such as "not sufficiently documented" or other generic phrases with no further description of the reason for the reduction or denial of payment does not satisfy the requirements of this section." The Carrier did not raise the issue of fair and reasonable for a DOP code. Therefore, reimbursement is recommended in the amount of \$32.00.

Date of Service 8/12/03; E1399 – Electrodes (\$103.00)

The Carrier denied additional reimbursement as "F 1 – The Charge for this procedure exceeds the fee schedule or usual and customary allowance." Per The 2003 Medicare DMEPOS Fee Schedule for Texas, there is no MAR for this code. Rule 134.202 (c)(6), states, "for products and services for which CMS or the Commission does not establish a relative value unit and/or a payment amount the carrier shall assign a relative value, which may be based on nationally recognized published relative studies, published commission medical dispute decisions, and values assigned for services involving similar work and resource commitments." The Carrier has set a relative value for the electrodes and reimbursed the Requestor \$17.51. Additional reimbursement is not recommended.

IV. DECISION & ORDER

On this basis, and pursuant to §§402.042, 413.016, 413.031, and 413.019 of the Act, the Medical Review Division hereby ORDERS the respondent to pay the unpaid medical fees outlined above as follows:

- in accordance with the fair and reasonable rate as set forth in Commission Rule 133.1(a)(8) for dates of service through July 31, 2003;
- plus all accrued interest due at the time of payment to the requestor within 20 days of receipt of this Order.

This Decision and Order is applicable to dates of service 7/11/03 as outlined above in this dispute.

The respondent is prohibited from asserting additional denial reasons relative to this Decision upon issuing payment to the requestor in accordance with this Order (Rule 133.307(j)(2)).

This Findings, Decision and Order is here-by issued this 1st day of November.

Pat DeVries
Medical Dispute Resolution Officer
Medical Review Division

PD/pd