

**THE UNIVERSITY OF TEXAS
SYSTEM,
Petitioner**

V.

**KATY WEST HOUSTON ANESTHESIA,
Respondent**

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BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

DECISION AND ORDER

The University of Texas System (Carrier) appealed the findings and decision of the Texas Workers' Compensation Commission's (Commission) Medical Review Division (MRD), which awarded reimbursement to Katy West Houston Anesthesia (Provider) for services rendered on two occasions: April 30, 2003, and May 2, 2003. In this decision, the Administrative Law Judge (ALJ) finds Provider is not entitled to reimbursement from Carrier.

I. JURISDICTION, NOTICE, AND PROCEDURAL HISTORY

There were no contested issues of jurisdiction or notice. Those issues are addressed in the findings of fact and conclusions of law without further discussion here.

The hearing in this matter convened and closed on October 20, 2005, at the State Office of Administrative Hearings (SOAH) before Steven M. Rivas, ALJ. Carrier appeared and was represented by Sandra Kim, attorney. Provider appeared and was represented by Bill Felder, Provider's billing representative.

II. DISCUSSION

A. Background Facts

This case concerns the proper level of reimbursement for anesthesiology services rendered to Claimant on two dates of service. Based on the records submitted by Carrier, Claimant sustained a compensable knee injury on _____. Claimant was treated for injury and as part of her treatment, she was prescribed knee surgery on two occasions. Each surgical procedure called for Provider to render anesthesiology services for Claimant. Provider billed Carrier a total of \$1,206.00 for the services rendered to Claimant on April 30, 2003, and May 2, 2003. Carrier denied reimbursement on the basis that Provider's billing was incomplete, in that, it lacked the proper anesthesia report. The Commission's MRD awarded Provider the maximum allowable reimbursement amount of \$648.00, and Carrier requested a hearing before the State Office of Administrative Hearings to dispute the amount awarded by the Commission's MRD.

B. Applicable Statutes

Under Paragraph VI of the 1996 Anesthesia Ground Rules, which apply to this case, the required billing information that a Provider must submit for reimbursement purposes shall include the following:

1. Total units (base value + time + modifying units);
2. Total anesthesia time in minutes; and
3. Total number of concurrently supervised anesthesiologists.

C. Evidence and Arguments

Susan Ackerman, R.N., testified on behalf of Carrier that she was an audit nurse for Carrier and that she was familiar with this case. Ms. Ackerman asserted the documentation submitted by Provider was incomplete and did not support the services billed.

In support of its contention that Provider's billing were incomplete, Carrier offered a sample bill that is generally submitted by a provider who renders anesthesiology services. Ms. Ackerman explained that a sample bill usually includes an anesthesiology record that contains information regarding the type of surgery that is performed, the surgeons who perform the surgery, the diagnosis, a graph or chart showing everything that occurred during the operation, including the patient's vital signs and medications given. Ms. Ackerman testified the document submitted by Provider in this case, which was offered at hearing, amounted to little more than a bill for services rendered with insufficient details regarding the services.

Mr. Felder acknowledged that he knew how to properly bill for anesthesiology services, and in this case, it was not done correctly. Mr. Felder also argued that despite the improper billing sent to Carrier, Provider indeed performed the disputed services in good faith and that Provider is entitled to due compensation. However, Mr. Felder admitted no valid reason why the billing in this case was insufficient.

D. Analysis & Conclusion

The actual billing submitted to Carrier in this case did not comply with the 1996 Anesthesia Ground Rules in effect at the time because the documentation did not include the total units, total anesthesia time, and total number of concurrently supervised anesthetists. The ALJ concludes Carrier met its burden of proving that Provider submitted improper billing to Carrier. Therefore, the ALJ finds Provider is not entitled to reimbursement from Carrier for the services rendered on the disputed dates of service.

III. FINDINGS OF FACT

1. Claimant __ suffered a compensable knee injury on ____.
2. Claimant underwent knee surgery on April 30, 2003, and May 2, 2003.
3. Katy West Houston Anesthesia (Provider) rendered anesthesiology services during each surgery.
4. Provider billed The University of Texas System (Carrier) a total of \$1,206.00 for the services rendered.

5. Carrier denied reimbursement on the basis that Provider's billing was incomplete.
6. Provider filed a timely request for medical dispute resolution with the Texas Workers' Compensation Commission (the Commission).
7. The Commission's Medical Review Division found in favor of Provider, and awarded the maximum allowable reimbursement rate of \$648.00.
8. Carrier filed a timely request for a hearing before the State Office of Administrative Hearings (SOAH).
9. Notice of the hearing was provided to the parties March 31, 2005. The notice contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing was to be held; a reference to the particular sections of the statutes and rules involved; and a short, plain statement of the matters asserted.
10. The hearing was convened on October 20, 2005, with ALJ Steven M. Rivas presiding. Carrier appeared and was represented by Sandra Kim, attorney. Provider appeared and was represented by Bill Felder, Provider's billing representative. The hearing was adjourned and the record closed the same day.
11. The billing submitted by Provider did not include an anesthesia record.
12. The billing submitted by Provider did not include the total units, total anesthesia time, or total number of concurrently supervised anesthetists.

IV. CONCLUSIONS OF LAW

1. SOAH has jurisdiction over this proceeding, including the authority to issue a decision and order, pursuant to TEX. LAB. CODE ANN. § 413.031(k) and TEX. GOV'T CODE ANN. ch. 2003.
2. Adequate and timely notice of the hearing was provided in accordance with TEX. GOV'T CODE ANN. § 2001.052.
3. Under 28 TEX. ADMIN. CODE (TAC) § 148.14(a), the Petitioner has the burden of proof in hearings, such as this one, conducted pursuant to TEX. LAB. CODE ANN. § 413.031.
4. The billing submitted by Provider did not comply with the 1996 Anesthesia Ground Rules in effect at the time the services were rendered.
5. Carrier met its burden of proving that Provider is not entitled to the maximum allowable reimbursement of \$648.00.

ORDER

It is, therefore, ordered that Katy West Houston Anesthesia is not entitled to reimbursement from The University of Texas System for the anesthesiology services rendered on April 30, 2003, and May 2, 2003.

SIGNED December 15, 2005.

**STEVEN M. RIVAS
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS**