# SOAH DOCKET NO. 454-12-1389.M4 DWC NO\_\_\_ and SOAH DOCKET NO. 454-12-1391.M4 DWC NO. \_\_\_ and SOAH DOCKET NO. 454-12-2547.M4 DWC NO. \_\_\_ VISTA MEDICAL CENTER HOSPITAL, § BEFORE

VISTA MEDICAL CENTER HOSPITAL, \$ BEFORE THE STATE OFFICE \$ V. \$ OF

ACE AMERICAN INSURANCE \$ COMPANY, \$ Respondent \$ ADMINISTRATIVE HEARINGS

# **DECISION AND ORDER**

Vista Medical Center Hospital (Vista) challenges the denial of additional reimbursement by Ace American Insurance Company (Ace) for hospital outpatient procedures (HOP) performed at Vista's facility on three separate occasions for the same injured worker. The services were provided on March 20, 2007; on May 17, 2007; and on August 9, 2007. The March 20, 2007 service included a subacromial resection with lysis of adhesions to the shoulder billed under CPT Code 29826. The May 17, 2007 service and the August 9, 2007 service included a cervical epidural steroid injection billed under CPT Code 62310. The Administrative Law Judge (ALJ) finds that Vista failed to prove it was entitled to additional reimbursement in SOAH Docket Nos. 454-12-1391.M4 and 454-12-1389.M4. The ALJ finds that Vista proved it was entitled to \$1296.98 additional reimbursement in SOAH Docket No. 454-12-2547.M4. Accordingly, Vista's request for additional reimbursement is denied in part and granted in part.

<sup>&</sup>lt;sup>1</sup> SOAH Docket No. 454-12-1391.M4.

<sup>&</sup>lt;sup>2</sup> SOAH Docket No. 454-12-1389.M4.

<sup>&</sup>lt;sup>3</sup> SOAH Docket No. 454-12-2547.M4.

# I. JURISDICTION, NOTICE, AND PROCEDURAL HISTORY

There are no issues of notice or jurisdiction. Therefore, these matters are addressed in the Findings of Fact and Conclusions of Law without further discussion. For each date of service, Vista filed a request for medical fee dispute resolution with the Medical Review Division (MRD) of the Texas Department of Insurance, Division of Workers' Compensation (Division). On August 5, 2011, the Division issued its Medical Fee Dispute Resolution Findings and Decision (MRD Decision), denying Vista additional reimbursement for the March 2007 service. On August 17, 2011, the Division issued its MRD Decision denying Vista additional reimbursement for the May 2007 service. On August 17, 2011, the Division issued its MRD Decision denying Vista additional reimbursement for the August 2007 service. Vista timely requested hearings before the State Office of Administrative Hearings (SOAH) to contest the MRD determinations. A hearing convened before ALJ Howard S. Seitzman on April 24, 2012, at SOAH's facilities in Austin, Texas. Vista was represented by attorney Cristina Y. Hernandez. Ace was represented by attorney Steven M. Tipton. The record closed on August 14, 2012, following the filing of post-hearing briefs.

## II. DISCUSSION

# A. Applicable Law

This case is governed by the Tex. Lab. Code (Labor Code) § 401.001*et seq.*, also known as the Texas Workers' Compensation Act (Act). The workers' compensation insurance program created by the Act covers all medically necessary health care. Although amended several times, Section 413.011 of the Act generally directs the Division's Commissioner to establish medical policies and guidelines relating to fees charged or paid for medical services for employees who suffer compensable injuries, including guidelines relating to payment of fees for specific medical treatments or services. The Act has consistently required that the fee guidelines for medical services

<sup>&</sup>lt;sup>4</sup> Effective September 1, 2005, the legislature dissolved the Texas Workers' Compensation Commission (Commission) and created the Division of Workers' Compensation within the Texas Department of Insurance. Act of June 1, 2005, 79th Leg., R.S., ch. 265, § 8.001, 2005 Tex. Gen. Laws 469, 607. This Decision and Order refers to the Commission and its successor collectively as the Division.

<sup>&</sup>lt;sup>5</sup> Tex. Lab. Code § 401.011.

<sup>&</sup>lt;sup>6</sup> This section of the Act has been amended on several occasions as follows:

be fair and reasonable, ensure quality medical care, and achieve effective medical cost control.<sup>7</sup> Moreover, the guidelines may not provide for payment of a fee in excess of the fee charged for similar treatment of an injured individual of an equivalent standard of living and paid by that individual or by someone acting on that individual's behalf.<sup>8</sup> In setting such guidelines, the increased security of payment afforded by the Act also must be considered.<sup>9</sup>

Prior to March 2008, the Division did not have a fee guideline for HOP services.<sup>10</sup> In reimbursing providers for services without a fee guideline, an insurance carrier is required to reimburse at a fair and reasonable rate, as described in Section 413.011(d) of the Act.<sup>11</sup> Until May 2006, "fair and reasonable reimbursement" was defined as follows:

Reimbursement that meets the standards set out in § 413.011 of the Texas Labor Code, and the lesser of a health care provider's usual and customary charge, or

- (A) the maximum allowable reimbursement, when one has been established in an applicable Commission fee guideline,
- (B) the determination of a payment amount for medical treatment(s) and/or service(s) for which the Commission has established no maximum allowable reimbursement amount, or
  - (C) a negotiated contract amount. 12

Effective May 2, 2006, the Division defined "fair and reasonable reimbursement" as reimbursement that:

(1) is consistent with the criteria of Labor Code § 413.011;

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eff. Jun. 17, 2001; Acts 2003, 78<sup>th</sup> Leg., ch. 962, Sec. 1, 2, eff. Jun. 20, 2003. Amended by:
Acts 2005, 79<sup>th</sup> Leg., ch. 265, Sec. 3.233, eff. Sept. 1, 2005.
Acts 2007, 80<sup>th</sup> Leg. R.S., ch. 1177, Sec. 2, eff. Sept. 1, 2007.
Acts 2007, 80<sup>th</sup> Leg., R.S. ch. 1177, Sec. 2, eff. Jan. 1, 2011.
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<sup>&</sup>lt;sup>7</sup> Tex. Lab. Code § 413.011(d).

<sup>&</sup>lt;sup>8</sup> Tex. Lab. Code § 413.011(d).

<sup>&</sup>lt;sup>9</sup> Tex. Lab. Code § 413.011(d).

<sup>&</sup>lt;sup>10</sup> Effective March 1, 2008, the Division adopted a fee guideline for outpatient medical services. 28 Tex. Admin. Code (TAC) § 134.403. By its terms, that fee guideline applies only to outpatient medical services provided on or after March 1, 2008.

<sup>&</sup>lt;sup>11</sup> 28 TAC § 134.1(f) from Oct. 7, 1991, until May 16, 2002, when it became 28 TAC § 134.1(c). On May 2, 2006, it became 28 TAC § 134.1(d)(1). In 2008 it was amended to become 28 TAC § 134.1(f)(1).

<sup>&</sup>lt;sup>12</sup> 28 TAC § 133.1(8).

- (2) ensures that similar procedures provided in similar circumstances receive similar reimbursement; and
- (3) is based on nationally recognized published studies, published Division medical dispute decisions, and values assigned for services involving similar work and resource commitments, if available.<sup>13</sup>

When the Division has not established a fee guideline for a particular procedure, service, or item, the Division's rules require carriers to develop and consistently apply a methodology to determine fair and reasonable reimbursement.<sup>14</sup>

### B. Discussion

In its request for reimbursement presented to Ace for the March 2007 service, Vista asked for \$18,672.45 for the services it provided to the injured worker, and Ace reimbursed Vista \$4,993.14 for those services. Vista requested additional reimbursement of \$6,156.58 in its request for medical fee dispute resolution filed at MRD. In its request for reimbursement presented to Ace for the May 2007 service, Vista asked for \$14,704.88 for the services it provided to the injured worker, and Ace reimbursed Vista \$2,231.63 for those services. Vista requested additional reimbursement of \$7,193.82 in its request for medical fee dispute resolution filed at MRD. In its request for reimbursement presented to Ace for the August 2007 service, Vista asked for \$14,620.93 for the services it provided to the injured worker, and Ace reimbursed Vista \$934.65 for those services. Vista requested additional reimbursement of \$8,453.80 in its request for medical fee dispute resolution filed at MRD. At MRD, Vista contended that 70% of its billed charges constituted fair and reasonable reimbursement. The MRD Decision found that Vista failed to support its request for additional reimbursement and that no additional reimbursement was owed to Vista.

For the SOAH hearing, Vista requested a lesser recovery based on the average of payments it received from multiple payers for services it provided during 2007 under each of the CPT Codes. <sup>15</sup>

<sup>&</sup>lt;sup>13</sup> 28 TAC § 134.1(d)(1)-(3). Amended in 2008 to 28 TAC § 134.1(f)(1)-(3).

<sup>&</sup>lt;sup>14</sup> 28 TAC § 133.304(i)(1) (eff. July 15, 2000); 28 TAC § 134.1(e) (eff. May 2, 2006).

<sup>&</sup>lt;sup>15</sup> Vista presented various iterations. The base iteration included all payers. The most refined iteration excluded non-workers' compensation payments, workers' compensation payments still in dispute resolution, and Medicare payments. Medicare payments were excluded because the Division has indicated that the base Medicare payment is not fair and reasonable reimbursement under the Texas regulatory standards for workers' compensation.

Jacquelyn Pham, Director of Business Financial Services for Doctors Practice Management, <sup>16</sup> testified on behalf of Vista regarding its billings and collections process.

For CPT Code 29826, the payments ranged from an average of \$13,244.03,<sup>17</sup> accounting for all reimbursements paid by workers' compensation carriers to Vista, to \$29,567.96,<sup>18</sup> an average derived by removing each payment that is the subject of a fee dispute between Vista and a carrier. For CPT Code 62310, the payments ranged from an average of \$4,489.61,<sup>19</sup> accounting for all reimbursements paid by workers' compensation carriers to Vista, to \$8,511.93,<sup>20</sup> an average derived by removing each payment that is the subject of a fee dispute between Vista and a carrier. For CPT Code 29826, Vista asserted that additional reimbursement within a range of \$13,244.03 to \$29,567.96 represented a fair and reasonable fee. For CPT Code 62310, Vista asserted that additional reimbursement within a range of \$4,489.61 to \$8,511.93 represented a fair and reasonable fee.

To support its position, Vista cited two recent Division medical fee dispute resolution decisions—involving Renaissance Hospital—as the most current analysis by the Division in cases where the "fair-and-reasonable" standard applies. In those cases, Vista noted that the Division found that the average payment by all insurance carriers in the Texas workers' compensation system during the same year involving the same procedures provided to the injured worker was the best evidence in of an amount that would achieve a fair and reasonable reimbursement.<sup>21</sup>

Also in support of its position, Vista cited Commissioner's Bulletin #B-0009-07 dated May 1, 2007 (Bulletin). The Bulletin provides guidance to hospitals for meeting the criteria in Labor Code § 413.011(d):

For example, supporting information may be documents showing typical payment amounts received for similar services during the same time period for injured persons

<sup>&</sup>lt;sup>16</sup> Doctors Practice Management handles the billing and collection functions for Vista.

<sup>&</sup>lt;sup>17</sup> The eleven payments ranged in amount from \$888.40 to \$44,146.90.

<sup>&</sup>lt;sup>18</sup> Based upon four payments ranging from \$14,464.84 to \$44,146.90.

<sup>&</sup>lt;sup>19</sup> The seventeen payments ranged in amount from no payment to \$10.941.27.

<sup>&</sup>lt;sup>20</sup> Based upon six payments ranging from \$2,236.00 to \$10,941.27.

<sup>&</sup>lt;sup>21</sup> MFDR Tracking Nos. \_\_\_ and \_\_\_\_.

<sup>&</sup>lt;sup>22</sup> Vista Ex. 10. The Bulletin contains the endorsement of Division Commissioner Albert Betts.

of an equivalent standard of living. Those payments could reflect reimbursement from a variety of payors, including managed care, group health, and Medicare. Supporting information may also include documents showing average payments as a percent of total charges from representative Texas workers' compensation carriers during the same time period for a significant number of similar cases. Documentation from only one payor or a limited number of similar cases may not be sufficient to make a determination of the standard for fair and reasonable.

Vista contended that its average-payment methodology complied with the requirements of the Bulletin.

Vista also pointed to Advisory 2003-09 dated July 11, 2003 (Advisory), <sup>23</sup> and a March 2005 Medical Dispute Resolution Newsletter (Newsletter). <sup>24</sup> Both the Advisory and the Newsletter deal with fair and reasonable reimbursement disputes arising from ambulatory surgical center (ASC) claims not covered by a Division fee guideline. Both the Advisory and the Newsletter provide suggestions similar to those contained in the subsequently issued Bulletin.

Vista argued that Ace failed to prove the reimbursement it paid Vista was fair and reasonable included the following:

- 1. Ace failed to present any evidence regarding its methodology and how it was developed.
- 2. Ace failed to submit nationally recognized public studies, published Division medical dispute decisions, or documentation of values assigned for services involving similar work and resource commitments to support the amount paid as a fair and reasonable reimbursement for the services in dispute.
- 3. Ace failed to prove its methodology yielded a fair and reasonable reimbursement and complied with the criteria contained in the Act and the Division's rules.

<sup>23</sup> Vista Ex. 8. The Advisory bears the endorsement of Richard F. Reynolds, Executive Director of the Division. The Advisory notes although a Travis County District Court declared the ASC Fee Guideline rule invalid and granted a permanent injunction, the ASC Fee Guideline remains in effect pending exhaustion of all appeals by the Division. The Advisory further states that MRD will review "sample payments in the form of Explanation of Benefits (EOB) or audit summaries" to see if they reflect similar payments for similar treatments for similarly situated injured individuals and reflect "'fair and reasonable' payment not exceeding the typical/ (sic) most dominant payment for all individuals of an equivalent standard of living in Texas." Also, the documentation should provide "sufficient quantity and quality of

examples of other payments, when utilized to support these criteria."

<sup>&</sup>lt;sup>24</sup> Vista Ex. 9. For ASC fee disputes arising from services provided prior to September 1, 2004, the Newsletter indicates that MRD intends to supplement the approach set forth in the Advisory by comparing the disputed amounts with the range of reimbursement recommended in the Ingenix studies "to determine an appropriate reimbursement amount (213.3% to 290% of Medicare for 2004 dates of service with appropriate adjustments for previous years)."

Vista also pointed out that MRD disagrees that the current fee guidelines adopted in 2008 reflect presumptively fair and reasonable reimbursement for dates of service prior to 2008.<sup>25</sup> Therefore, it argued, the average payment analysis made in the recent Renaissance cases is the most current analysis made by the Division in cases where the fair and reasonable standard applies.

Ace's arguments opposing Vista's request for additional reimbursement included the following points:

- 1. Vista's reliance on a completely new ground for establishing fair and reasonable reimbursement, after initially asserting that it was entitled to either its full, billed charges as fair and reasonable or 70 percent of its billed charges, is not permitted based on longstanding case law, statutes, rules, and policies adopted by the Division, and SOAH does not have jurisdiction to consider the new claim.
- 2. Vista failed to prove that the reimbursement it seeks is fair or reasonable as defined by statute and Division rules.
- 3. Historical payments in an unregulated market are not evidence that payments Vista received are consistent with the regulated market anticipated by the statute and the Division's rules.
- 4. Vista provided no statistical validation for the use of its own historical payment database or the treatment of that data using a simple arithmetic mean.
- 5. The Renaissance cases are in error and the Renaissance theory of recovery is flawed.

In response to Vista's assertion that Ace was required to explain its methodology of reimbursement following a provider's request for dispute resolution, Ace made the following arguments:

- 1. Vista cited no authority for this position.
- 2. The burden of proof has always been on the provider to prove entitlement to additional reimbursement.

<sup>&</sup>lt;sup>25</sup> By adopting this position, Vista appears to reject consideration of the approach posited in the Newsletter; comparing the disputed amount with the data ranges used in adopting the HOP Fee Guideline.

- 3. There are no policies, rules, or decisions from the Division that invoke death penalty sanctions for any perceived failure of a carrier to explain its method of reimbursement.
- 4. Although the carrier is required to provide some evidence to the provider regarding its reimbursement methodology so that the provider can decide whether to dispute the payment, the information is not critical to the adjudication of disputes.

At the close of the evidentiary hearing, the ALJ asked the parties to address a specific issue in their post-hearing briefs. For the May 2007 CPT Code 62310 service, Ace reimbursed Vista \$2,231.63, and for the August 2007 CPT Code 62310 service Ace reimbursed Vista \$934.65. The difference between the May and August bills totaled only \$83.95, but the reimbursement paid differed by \$1,296.98. For the May 2007 services, Ace paid (1) \$66.23 for the x-ray C-arm for fluoroscopy following reductions of \$1,083.77; (2) \$1,869.30 for three units of operating room time following reductions of \$3,713.70; (3) \$100.23 for one unit of pulmonary function following reductions of \$175.77; and (4) \$195.87 for one unit of operating room treatment following reductions of \$794.13. For the August 2007 services, Ace paid \$934.65 for three units of operating room time following reductions of \$4,647.45. The charges and payments are reflected in the table below:

TABLE 1 SUMMARY COMPARISON OF MAY AND AUGUST CHARGES AND PAYMENTS

						Difference
Service	Units	May	August	May	August	btw May
Service	Ullits	Charge	Charge	Reimbursement	Reimbursement	and August
						Payments
Fluoroscopy	1	\$1,150	\$1,150	\$66.23	\$0.00	\$66.23 <sup>27</sup>
OR	3	\$5,853	\$5,853	\$1,869.30	\$934.65	\$934.65 <sup>28</sup>
Pulmonary	1	\$276	\$276	\$100.23	\$0.00	\$100.23 <sup>29</sup>

<sup>&</sup>lt;sup>26</sup> All charges for the May and August procedure were identical except for the following items: (1) five units of pharmacy were billed in May (\$300.60) and seven units of pharmacy (\$378.70) were billed in August; and (2) forty-seven units of "medical/surgical" (\$2,299.40) were billed in May and forty-nine units of "medical/surgical" (\$2,137.35) were billed in August.

<sup>&</sup>lt;sup>27</sup> Ace used Denial Code 902 on both occasions "Payments included in the allowance for another procedure.

<sup>&</sup>lt;sup>28</sup> Ace used Denial Code 906 on both occasions "No maximum allowable defined by fee guideline. Reimbursement made based upon insurance carrier fair and reasonable reimbursement methodology.

<sup>&</sup>lt;sup>29</sup> Ace used Denial Code 908 on both occasions "No maximum allowable defined by fee guideline. Reimbursement made based upon insurance carrier fair and reasonable reimbursement methodology.

OR Treatment	1	\$990	\$990	\$195.87	\$0.00	\$195.87 <sup>30</sup>
Total		\$8,269.00	\$8,269.00	\$2,231.63	\$934.65	\$1,296.98

Carriers are statutorily required to reimburse at a fair and reasonable rate. In the absence of a fee guideline, carriers must develop and consistently apply a methodology to determine fair and reasonable reimbursement. Ace's EOBs do not exhibit a consistent application of a methodology. Ace did not request a contested case hearing to challenge the MRD Decision, requiring it to pay \$2,231.63 for CPT Code 62310 for the May 2007 services. Vista did contest the MRD Decision, seeking additional reimbursement for the May 2007 services.

The ALJ finds that Vista's theory of recovery was not consistent with the Division's decisions in the two Renaissance cases. While Vista provided average-payment data and sample payment data as suggested by the Bulletin, the Advisory, and the Newsletter, it failed to provide any meaningful analysis of that data that would explain or reconcile significant disparities in payments by workers' compensation carriers, or provide some adjustment mechanism for those disparities. Nor did Vista provide evidence showing its average payments were derived "from representative Texas workers' compensation carriers during the same time period for a significant number of similar cases." (Emphasis added.) Vista failed to establish how its proposed reimbursement levels for CPT Codes 62310 and 29826 complied with criteria contained in the Act and the Division's rules for fair and reasonable reimbursement.

However, the ALJ finds that MRD did not affirmatively determine that Ace's \$934.65 payment to Vista for the August 2007 CPT Code 62310 services was fair and reasonable. The evidence in this case also establishes that Ace did not consistently apply its methodology in compliance with the criteria contained in the Act and the Division's rules. Consequently, the

<sup>&</sup>lt;sup>30</sup> Ace used Denial Code 909 on both occasions "No maximum allowable defined by fee guideline. Reimbursement made based upon insurance carrier fair and reasonable reimbursement methodology.

<sup>&</sup>lt;sup>31</sup> The ALJ offers no opinion and makes no decision on whether the methodology used in the Renaissance cases is valid for determining fair and reasonable reimbursement.

<sup>&</sup>lt;sup>32</sup> If one looks at the seventeen workers' compensation carrier payments for CPT Code 62310, the mean is \$4,489.61, but the median is \$2,236.00. Seven of the payments are above the mean and account for 85% of the total payments. The four highest payments account for 56% of the total payments. For CPT Code 29826, the mean is \$13,244.03, but the median is \$4,993.14. Four of the eleven payments are above the mean and account for 81% of the total payments. The highest payment alone accounts for 30% of the total payments.

<sup>&</sup>lt;sup>33</sup> Whether eleven payments or seventeen payments represent a significant number of similar cases is an unexplored issue.

evidence in the record in SOAH Docket No. 454-12-2547.M4 establishes that Ace owes Vista an additional \$1,296.98 in reimbursement for CPT Code 62310 services provided on August 9, 2007. Vista failed to establish that it is owed additional reimbursement for the services rendered by Vista in SOAH Docket Nos. 454-12-1391.M4 and 454-12-1389.M4.

# C. Conclusion

In SOAH Docket No. 454-12-2547.M4, Vista proved it is entitled to \$1,296.98 additional reimbursement from Ace for CPT Code 62310 services provided on August 9, 2007. Vista failed to establish that it is owed additional reimbursement for the services it rendered in SOAH Docket Nos. 454-12-1391.M4 and 454-12-1389.M4.

### III. FINDINGS OF FACT

- 1. Hospital outpatient procedures (HOP) were performed at Vista Medical Center Hospital's (Vista) facility on three separate occasions for the same injured worker. The services were provided on March 20, 2007 (SOAH Docket No. 454-12-1391.M4); on May 17, 2007 (SOAH Docket No. 454-12-1389.M4); and on August 9, 2007 (SOAH Docket No. 454-12-2547.M4). The March 20, 2007 service included a subacromial resection with lysis of adhesions to the shoulder billed under CPT Code 29826. The May 17, 2007 service and the August 9, 2007 service included a cervical epidural steroid injection billed under CPT Code 62310.
- 2. Ace American Insurance Company (Ace) was the responsible workers' compensation insurer for the claimant.
- 3. In its request for reimbursement presented to Ace for the March 2007 service, Vista asked for \$18,672.45 for the services it provided to the injured worker, and Ace reimbursed Vista \$4,993.14 for those services. Vista requested additional reimbursement, and Ace denied additional reimbursement.
- 4. Vista timely filed a request for medical fee dispute resolution with the Division. Vista requested additional reimbursement of \$6,156.58 in its request for medical fee dispute resolution filed at MRD.
- 5. In its request for reimbursement presented to Ace for the May 2007 service, Vista asked for \$14,704.88 for the services it provided to the injured worker, and Ace reimbursed Vista \$2,231.63 for those services. Vista requested additional reimbursement, and Ace denied additional reimbursement.
- 6. Vista timely filed a request for medical fee dispute resolution with the Division. Vista requested additional reimbursement of \$7,193.82 in its request for medical fee dispute

resolution filed at MRD.

- 7. In its request for reimbursement presented to Ace for the August 2007 service, Vista asked for \$14,620.93 for the services it provided to the injured worker, and Ace reimbursed Vista \$934.65 for those services. Vista requested additional reimbursement, and Ace denied additional reimbursement.
- 8. Vista timely filed a request for medical fee dispute resolution with the Division. Vista requested additional reimbursement of \$8,453.80 in its request for medical fee dispute resolution filed at MRD.
- 9. On August 5, 2011, the Division issued its Medical Fee Dispute Resolution Findings and Decision (MRD Decision), denying Vista additional reimbursement for the March 2007 service. On August 17, 2011, the Division issued its MRD Decision denying Vista additional reimbursement for the May 2007 service. On August 17, 2011, the Division issued its MRD Decision denying Vista additional reimbursement for the August 2007 service.
- 10. Vista timely requested hearings before the State Office of Administrative Hearings (SOAH) to contest the MRD determinations.
- 11. A Notice of Hearing informed the parties of the date, time, and location of the hearing; the matters to be considered; the legal authority under which the hearing would be held; and the statutory provisions applicable to the matters to be considered.
- 12. A hearing convened before ALJ Howard S. Seitzman on April 24, 2012, at SOAH's facilities in Austin, Texas. Vista was represented by attorney Cristina Y. Hernandez. Ace was represented by attorney Steven M. Tipton. The record closed on August 14, 2012, following the filing of post-hearing briefs.
- 13. At the time Vista provided the services, there was no fee guideline for HOP services.
- 14. Vista failed to prove that using an average range of payments of \$13,244.03 to \$29,567.96 for CPT Code 29826 constituted fair and reasonable reimbursement based upon the applicable criteria.
- 15. Vista failed to prove that using an average range of payments of \$4,489.61 to \$8,511.93 for CPT Code 62310 constituted fair and reasonable reimbursement based upon the applicable criteria.
- 16. Ace did not consistently apply a methodology to determine fair and reasonable reimbursement for CPT Code 62310.
- 17. Ace did not request a contested case hearing to challenge the MRD Decision requiring it to pay \$2,231.63 for CPT Code 62310 for the May 2007 services.

18. Vista proved Ace owes an additional \$1,296.98 in reimbursement for CPT Code 62310 services provided on August 9, 2007.

### IV. CONCLUSIONS OF LAW

- 1. The State Office of Administrative Hearings has jurisdiction over this proceeding, including the authority to issue a decision and order, pursuant to Tex. Lab. Code § 413.031 and Tex. Gov't Code ch. 2003.
- 2. Adequate and timely notice of the hearing was provided in accordance with Tex. Gov't Code §§ 2001.051 and 2001.052.
- 3. The services provided to the Claimant were not covered by a fee guideline issued by the Division, so they were required to be billed and reimbursed at a fair and reasonable rate, within the meaning of Tex. Lab. Code § 413.011.
- 4. Vista had the burden of proving by a preponderance of the evidence that it was entitled to additional reimbursement.
- 5. Vista failed to prove the additional reimbursement it requested for the services it rendered in SOAH Docket Nos. 454-12-1391.M4 and 454-12-1389.M4 was fair and reasonable.
- 6. In SOAH Docket No. 454-12-2547.M4, Vista proved Ace owes an additional \$1,296.98 in reimbursement for CPT Code 62310 services provided on August 9, 2007.

# **ORDER**

**IT IS ORDERED** in SOAH Docket No. 454-12-2547.M4 that Ace pay Vista a total of \$2,231.63 reimbursement, plus any applicable interest, for the services Vista provided to the claimant on August 9, 2007. **IT IS FURTHER ORDERED** in SOAH Docket No. 454-12-1391.M4 that Vista is not entitled to additional reimbursement for the services it provided to the claimant on March 20, 2007. **IT IS FURTHER ORDERED** in SOAH Docket No. 454-12-1389.M4 that Vista is not entitled to additional reimbursement for the services it provided to the claimant on May 17, 2007.

SIGNED October 12, 2012.

ADMINISTRATIVE LAW JUDGE

STATE OFFICE OF ADMINISTRATIVE HEARINGS