



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

CHARLES KENNEDY, MD

Respondent Name

ARCH INSURANCE CO

MFDR Tracking Number

M4-18-3077-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

APRIL 24, 2018

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "This was a POST DD-RME TO ADDRESS MMI, IR, EXTENT OF INJURY AND RETURN TO WORK. Per the Texas Fee Schedule when a claimant has reached MMI the allowable charge is \$350.00. Since the DRE Model was utilized to calculate the impairment rating an additional \$150.00 is allowed. Therefore for the MMI & IR is allowed a total of \$500.00. For the FIRST QUESTION after MMI & IR is which is for the Extent of Injury is allowed a total charge of \$500.00. For the SECOND QUESTION after MMI & IR which was for Return to Work is HALF the FIRST or \$250.00. For the Multiple Impairments there is an additional charge of \$50.00 that is allowed. Therefore TOTAL ALLOWABLE by the Texas Fee Schedule is \$1,300.00 which was clearly illustrated on the original HCFA...Please review and remit payment in the amount of \$375.00."

Amount in Dispute: \$375.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Attached is a copy of all bills received to date, and their corresponding EOB's and payment details."

Response Submitted by: Gallagher Bassett Services

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
January 23, 2018	CPT Code 99456-RE-WP Designated Doctor Evaluation (DD)	\$375.00	\$375.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.

2. 28 Texas Administrative Code §134.210, effective July 7, 2016, provides the medical fee guideline for division specific services.
3. 28 Texas Administrative Code §134.235, effective July 7, 2016, sets the reimbursement guidelines for return to work evaluations.
4. 28 Texas Administrative Code §134.240, effective July 7, 2016, sets the reimbursement guidelines for Designated Doctor Examinations.
5. 28 Texas Administrative Code §134.250, effective July 7, 2016, sets the reimbursement guidelines for Maximum Medical Improvement Evaluations and Impairment Rating Examinations The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 18-Duplicate claim/service.
 - 16-Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
 - W3-Requesto for reconsideration.
 - 193-Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.

Issues

Is the requestor entitled to additional reimbursement?

Findings

On the disputed date of service the requestor billed \$1,300.00 for CPT codes 99456-RE-WP(X2), 99456-RE, 99456-RE and 99456-MI. The respondent paid \$925.00 based upon "16-Claim/service lacks information or has submission/billing error(s) which is needed for adjudication." The requestor contends that an additional reimbursement of \$375.00 is due for the services.

A. The following statute is applicable to the disputed services:

- 28 Texas Administrative Code §134.210(b)(2) states, "Modifying circumstance shall be identified by use of the appropriate modifier following the appropriate Level I (CPT codes) and Level II HCPCS codes. Where HCPCS modifiers apply, insurance carriers shall treat them in accordance with Medicare and Texas Medicaid rules. Additionally, division-specific modifiers are identified in subsection (e) of this section. When two or more modifiers are applicable to a single HCPCS code, indicate each modifier on the bill."
- 28 Texas Administrative Code §134.210(e) states, " The following division modifiers shall be used by health care providers billing professional medical services for correct coding, reporting, billing, and reimbursement of the procedure codes:
 - (5) MI, multiple impairment ratings--This modifier shall be added to CPT code 99455 when the designated doctor is required to complete multiple impairment ratings calculations.
 - (7) RE, return to work (RTW) and/or evaluation of medical care (EMC)--This modifier shall be added to CPT code 99456 when a RTW or EMC examination is performed.
 - (18) WP, whole procedure--This modifier shall be added to the CPT code when both the professional and technical components of a procedure are performed by a single health care provider.
 - (21) W6, designated doctor examination for extent--This modifier shall be added to the appropriate examination code performed by a designated doctor when determining extent of the injured employee's compensable injury.
 - (23) W8, designated doctor examination for return to work--This modifier shall be added to the appropriate examination code performed by a designated doctor when determining the ability of injured employee to return to work."
- 28 Texas Administrative Code §134.240(1)((A-F) states, "The following shall apply to designated doctor examinations. (1) Designated doctors shall perform examinations in accordance with Labor Code §§408.004, 408.0041, and 408.151 and division rules, and shall be billed and reimbursed as follows:

(A) Impairment caused by the compensable injury shall be billed and reimbursed in accordance with §134.250 of this title, and the use of the additional modifier "W5" is the first modifier to be applied when performed by a designated doctor;

(B) Attainment of maximum medical improvement shall be billed and reimbursed in accordance with §134.250 of this title, and the use of the additional modifier "W5" is the first modifier to be applied when performed by a designated doctor;

(C) Extent of the employee's compensable injury shall be billed and reimbursed in accordance with §134.235 of this title, with the use of the additional modifier "W6";

(D) Whether the injured employee's disability is a direct result of the work-related injury shall be billed and reimbursed in accordance with §134.235 of this title, with the use of the additional modifier "W7";

(E) Ability of the employee to return to work shall be billed and reimbursed in accordance with §134.235 of this title, with the use of the additional modifier "W8"; and

(F) Issues similar to those described in subparagraphs (A) - (E) of this paragraph shall be billed and reimbursed in accordance with §134.235 of this title, with the use of the additional modifier "W9."

- 28 Texas Administrative Code §134.240(2)(A-C) states, "When multiple examinations under the same specific division order are performed concurrently under paragraph (1)(C) - (F) of this section:
 - (A) the first examination shall be reimbursed at 100 percent of the set fee outlined in §134.235 of this title;
 - (B) the second examination shall be reimbursed at 50 percent of the set fee outlined in §134.235 of this title; and
 - (C) subsequent examinations shall be reimbursed at 25 percent of the set fee outlined in §134.235 of this title."
- 28 Texas Administrative Code §134.235 states "The following shall apply to return to work (RTW)/evaluation of medical care (EMC) examinations. When conducting a division or insurance carrier requested RTW/EMC examination, the examining doctor shall bill and be reimbursed using CPT code 99456 with modifier "RE." In either instance of whether maximum medical improvement/ impairment rating (MMI/IR) is performed or not, the reimbursement shall be \$500 in accordance with §134.240 of this title and shall include division-required reports. Testing that is required shall be billed using the appropriate CPT codes and reimbursed in addition to the examination fee."
- 28 Texas Administrative Code §134.250(4)(C)(iii) states, "If the examining doctor performs the MMI examination and the IR testing of the musculoskeletal body area(s), the examining doctor shall bill using the appropriate MMI CPT code with modifier 'WP.' Reimbursement shall be 100 percent of the total MAR."
- 28 Texas Administrative Code §134.250(3)(C) states, "The following applies for billing and reimbursement of an MMI evaluation. (C) An examining doctor, other than the treating doctor, shall bill using CPT code 99456. Reimbursement shall be \$350."
- 28 Texas Administrative Code §134.250 (4)(C)(i)(I) states, "For musculoskeletal body areas, the examining doctor may bill for a maximum of three body areas. (i) Musculoskeletal body areas are defined as follows:
 - (I) spine and pelvis."
- 28 Texas Administrative Code §134.250 (4)(C)(ii) states, "The MAR for musculoskeletal body areas shall be as follows:
 - (I) \$150 for each body area if the diagnosis related estimates (DRE) method found in the AMA Guides fourth edition is used.
 - (II) If full physical evaluation, with range of motion, is performed:
 - (-a-) \$300 for the first musculoskeletal body area; and
 - (-b-) \$150 for each additional musculoskeletal body area."
- 28 Texas Administrative Code §134.250(4)(B) states, "When multiple IRs are required as a component of a designated doctor examination under this title, the designated doctor shall bill for the number of body

areas rated and be reimbursed \$50 for each additional IR calculation. Modifier "MI" shall be added to the MMI evaluation CPT code.”

B. Is the respondent’s denial based upon reason “16-Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.” To determine if the requestor billed for the disputed services in accordance with above referenced statute the division reviewed submitted documentation from both parties and finds:

- The DWC-032 dated January 12, 2018, orders the claimant to attend a designated doctor examination for MMI/IR evaluation of the claimant’s “Spine and Torso.”
- The DWC22 requests DD examination for MMI/IR, extent of the employee’s compensable injury and the ability to return to work.
- The requestor billed CPT codes 99456-RE-WP(X2), 99456-RE, 99456-RE and 99456-MI.
- The division finds the requestor did not append the appropriate modifiers to CPT code 99456 for MMI/IR, extent of injury and return to work evaluations set out in 28 Texas Administrative Code §134.210(b)(2), §134.210(e), and §134.240(1)((A-F).
- The respondent raised the issue of billing errors but did not maintain the denial and issued payment of \$925.00.

C. The division finds the appropriate reimbursement for the disputed services is:

EVALUATION	STATUTE REFERENCE	MAR
MMI	28 Texas Administrative Code §134.250(3)(C)	\$350.00
IR - DRE	28 Texas Administrative Code §134.250 (4)(C)(ii)	\$150.00
Extent of Injury	28 Texas Administrative Code §134.235	\$500.00
Return to Work	28 Texas Administrative Code §134.235 and 28 Texas Administrative Code §134.240(2)(A-C)	\$250.00
MI	28 Texas Administrative Code §134.250(4)(B)	\$50.00
		\$1,300.00

D. Is the requestor due additional reimbursement?

The division finds the appropriate reimbursement for the disputed services is \$1,300.00. The respondent paid \$925.00. The requestor is due the difference between MAR and paid = \$375.00.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that reimbursement is due. As a result, the amount ordered is \$375.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$375.00 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

7/6/18
Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.