



# 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**

Texas Health Fort Worth

**Respondent Name**

Standard Fire Insurance

**MFDR Tracking Number**

M4-18-3167-01

**Carrier's Austin Representative**

Box Number 05

**MFDR Date Received**

April 30, 2018

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "Laboratory rates are based on Medicare's clinical lab schedule. Hospital (outpatient and inpatient) laboratory rates are based on 200% of the national clinical lab schedule."

**Amount in Dispute:** \$50.16

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** Submitted documentation does not include a position statement from the respondent. Accordingly, this decision is based on the information available at the time of review.

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 8, 2017	87070, 87077, 87181, 87186, 87205	\$50.16	\$14.83

### 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.
- 28 Texas Administrative Code §134.403 sets out the acute care hospital fee guideline for outpatient services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 97 – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated
  - P12 – Workers Compensation jurisdictional fee schedule adjustment
  - 193 – Original payment decision is being maintained

## Issues

1. Did Standard Fire Insurance Co respond to the medical fee dispute?
2. What is the applicable rule for determining reimbursement for the disputed services?

## Findings

1. The Austin carrier representative for Standard Fire Insurance Co is Travelers Co Inc. Travelers Co Inc. acknowledged receipt of the copy of this medical fee dispute on May 8, 2018.

28 Texas Administrative Code §133.307 states, in relevant part:

(d) Responses. Responses to a request for MFDR shall be legible and submitted to the division and to the requestor in the form and manner prescribed by the division.

- (1) Timeliness. The response will be deemed timely if received by the division via mail service, personal delivery, or facsimile **within 14 calendar days after the date the respondent received the copy of the requestor's dispute** [emphasis added]. If the division does not receive the response information within 14 calendar days of the dispute notification, then the division may base its decision on the available information.

Review of the documentation finds that no response has been received on behalf of Standard Fire Insurance Co. from to date. The division concludes that Standard Fire Insurance Co. failed to respond within the timeframe required by §133.307(d)(1). For that reason the division will base its decision on the information available.

2. The requestor is seeking reimbursement of outpatient clinical laboratory charges rendered on November 8, 2017 in the amount of \$50.16. The insurance carrier denied Code 87186 with claim adjustment reason code 97 – “The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated” and reduced Codes 87070, 87077, 87181 and 87205 as P12 – “Workers’ compensation jurisdictional fee schedule adjustment.”

28 Texas Administrative Code §134.403 (d) states in pertinent part,

For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided

The Medicare Claims Processing Manual, Chapter Four Section 10.1.1 at [www.cms.gov](http://www.cms.gov) states,

*An OPPS payment status indicator is assigned to every HCPCS code. The status indicator identifies whether the service described by the HCPCS code is paid under the OPPS and if so, whether payment is made separately or packaged.*

Review of the disputed services in Addendum B of the Hospital Outpatient OPPS at CMS found each of the services in dispute have a Status Indicator of Q4 which is defined as *“Paid under OPPS or CLFS (1) Packaged APC payment if billed on the same claim as a HCPCS code assigned published status indicator “J1,” “J2,” “S,” “T,” “V,” “Q1,” “Q2,” OR “Q3.” (2) In other circumstances, laboratory tests should have an SI=A and payment is made under the CLFS.”*

As the submitted medical bill did not contain any of the Status Indicators listed above, the maximum allowable reimbursement for the services in dispute will be reviewed based on Division Rule 134.203 (e) pertaining to Clinical Laboratory Services shown below.

3. 28 Texas Administrative Code §134.203 (e) states in pertinent part,

The MAR for pathology and laboratory services not addressed in subsection (c)(1) of this section or in other Division rules shall be determined as follows:

- (1) 125 percent of the fee listed for the code in the Medicare Clinical Fee Schedule for the technical component of the service

The MAR is as follows:

HCPCS Code	Medicare Fee Schedule	MAR	Carrier Paid	Amount Due
87070	\$11.82	\$14.78	\$14.78	\$0.00
87077	\$11.08	\$13.85	\$13.85	\$0.00
87181	\$6.51	\$8.14	\$8.14	\$0.00
87186	\$11.86	\$14.83	\$0.00	\$14.83
87205	\$5.86	\$7.33	\$7.33	\$0.00
	Total	\$58.93		\$14.83

The allowable amount for the services in dispute is \$58.93. The carrier previously paid \$44.10. A remaining allowable is due to the requestor of \$14.83.

**Conclusion**

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$14.83.

**ORDER**

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the division has determined the requestor is entitled to additional reimbursement for the disputed services. The division hereby ORDERS the respondent to remit to the requestor \$14.83, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this order.

**Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Peggy Miller  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
July 27, 2018  
Date

**YOUR RIGHT TO APPEAL**

Either party to this medical fee dispute has a right to seek review of this decision in accordance with Rule §133.307, effective May 31, 2012, *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. **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.**