



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 SOUTHWEST

Respondent Name

TRAVELERS INDEMNITY COMPANY

MFDR Tracking Number

M4-18-4416-01

Carrier's Austin Representative

Box Number 05

MFDR Date Received

July 23, 2018

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Physical therapy services have not been reimbursed per state fee schedule rules."

Amount in Dispute: \$70.08

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "the Provider was properly reimbursed under the applicable Division fee schedule."

Response Submitted by: Travelers

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Dispute Amount	Amount Due
December 5, 2017 to December 26, 2017	Outpatient Facility Services – Physical Therapy	\$70.08	\$0.00

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.
- 28 Texas Administrative Code §134.403 sets out the hospital facility fee guideline for outpatient services.
- 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 45 – CHARGE EXCEEDS FEE SCHEDULE/MAXIMUM ALLOWABLE OR CONTRACTED LEGISLATED FEE ARRANGEMENT.
 - 150 – PAYER DEEMS THE INFORMATION SUBMITTED DOES NOT SUPPORT THIS LEVEL OF SERVICE.
 - W3 – ADDITIONAL PAYMENT MADE ON APPEAL/RECONSIDERATION.

Issues

- What is the recommended payment for the services in dispute?
- Is the requestor entitled to additional reimbursement?

Findings

1. This dispute regards physical therapy services performed in an outpatient facility. Such services are not paid under Medicare's Outpatient Prospective Payment System but using Medicare's Physician Fee Schedule. Per DWC's *Hospital Facility Fee Guideline*, Rule §134.403(h), if Medicare reimburses using other fee schedules, DWC guidelines applicable to the code on the date provided are used for payment. *DWC Medical Fee Guideline for Professional Services*, Rule §134.203(c), requires the maximum allowable reimbursement (MAR) be determined by applying Medicare payment policies modified by DWC rules. The Medicare fee is the sum of the geographically-adjusted work, practice expense and malpractice values multiplied by a conversion factor. We substitute DWC's conversion factor to calculate the MAR. The 2017 DWC conversion factor is \$57.50.

Per Medicare payment policy, when more than one unit is billed of therapy services with multiple procedure payment indicator '5', the first unit of the therapy with the highest practice expense for that day is paid in full. Payment is reduced by 50% of the practice expense (PE) for each extra therapy unit performed on that date. Reimbursement for the disputed services is calculated as follows:

- Procedure code 97140, December 5, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.84649 multiplied by the DWC conversion factor of \$57.50 for a MAR of \$48.67. Per Medicare payment policy, payment is reduced by 50% of the practice expense (PE) for each extra therapy unit after the first unit of the code with the highest PE for that date. The PE for this code is not the highest for this date. The PE reduced rate is \$36.99.
- Procedure code 97140, December 7, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.84649 multiplied by the DWC conversion factor of \$57.50 for a MAR of \$48.67. Per Medicare policy, payment is reduced by 50% of the practice expense (PE) for each extra therapy unit after the first unit of the code with the highest PE for that date. The PE for this code is not the highest for this date. The PE reduced rate is \$36.99.
- Procedure code 97140, December 11, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.84649 multiplied by the DWC conversion factor of \$57.50 for a MAR of \$48.67. Per Medicare policy, payment is reduced by 50% of the practice expense (PE) for each extra therapy unit after the first unit of the code with the highest PE for that date. The PE for this code is not the highest for this date. The PE reduced rate is \$36.99.
- Procedure code 97140, December 20, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.84649 multiplied by the DWC conversion factor of \$57.50 for a MAR of \$48.67. Per Medicare policy, payment is reduced by 50% of the practice expense (PE) for each extra therapy unit after the first unit of the code with the highest PE for that date. The PE for this code is not the highest for this date. The PE reduced rate is \$36.99.
- Procedure code 97140, December 21, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.84649 multiplied by the DWC conversion factor of \$57.50 for a MAR of \$48.67. Per Medicare policy, payment is reduced by 50% of the practice expense (PE) for each extra therapy unit after the first unit of the code with the highest PE for that date. The PE for this code is not the highest for this date. The PE reduced rate is \$36.99.
- Procedure code 97140, December 26, 2017, has a Work RVU of 0.43 multiplied by the Work GPCI of 1.006 is 0.43258. The practice expense RVU of 0.41 multiplied by the PE GPCI of 0.991 is 0.40631. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.76 is 0.0076. The sum is 0.84649 multiplied by the DWC conversion factor of \$57.50 for a MAR of \$48.67. Per Medicare policy, payment is reduced by 50% of the practice expense (PE) for each extra therapy unit after the first unit of the code with the highest PE for that date. The PE for this code is not the highest for this date. The PE reduced rate is \$36.99.

2. The total MAR (maximum allowable reimbursement) for the disputed services is \$221.94. The insurance carrier paid \$221.94. The amount due to the requestor is \$0.00. No additional payment is recommended.

Conclusion

In resolving disputes regarding the amount of payment due for health care determined to be medically necessary and appropriate for treatment of a compensable injury, the role of the division is to adjudicate the payment, given the relevant statutory provisions and division rules.

The division would like to emphasize that the findings and decision in this dispute are based on the evidence presented by the requestor and respondent available at the time of review. Even though not all the evidence was discussed, it was considered.

For the reasons stated above, the division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

Authorized Signature

	Grayson Richardson	September 13, 2018
Signature	Medical Fee Dispute Resolution Officer	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.

A party seeking review must submit a *Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision* (form DWCO45M) in accordance with the form’s instructions. The division must receive the request within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered either to the division, using the contact information listed on the form, or to the field office handling the claim.

The party seeking review must deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. **Include a copy of this *Medical Fee Dispute Resolution Findings and Decision*** together with any other information required by 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.