



# TEXAS DEPARTMENT OF INSURANCE

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

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

Patient Care Injury Clinic

**Respondent Name**

Old Republic General Insurance

**MFDR Tracking Number**

M4-18-5324-01

**Carrier's Austin Representative**

Box Number 44

**MFDR Date Received**

August 30, 2018

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "We submitted our bills and proper clinical documentation in a timely fashion. We feel that our facility should be paid according to the workers compensation fee schedule guidelines."

**Amount in Dispute:** \$1,141.42

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "The provider is not entitled to any additional reimbursement."

**Response Submitted by:** Flahive, Ogden & Latson

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
January 4 – 18, 2018	Physical Therapy Services	\$1,141.42	\$815.48

### 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 §134.203 sets out the guidelines for professional medical services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - P12 – Workers' compensation jurisdictional fee schedule adjustment
  - V340 – CPT code submitted is based on service time and documentation of time spent does not support the number of units billed. Allowance has been reduced accordingly
  - 59 – Process based on multiple or concurrent procedure rules

## Issues

1. Are the insurance carrier's reasons for denial of payment supported?
2. Is the requestor entitled to additional reimbursement?

## Findings

The requestor is seeking additional reimbursement in the amount of \$1,141.42 for physical therapy services rendered from January 4 – 18, 2018. The insurance carrier denied disputed services with claim adjustment reason code V340 – “CPT code submitted is based on service time and documentation of time spent does not support the number of units billed.” Because the carrier did not cite a rule or policy to support its assertions, DWC looks to the applicable rule and Medicare policy to resolve the dispute.

1. The Division rule applicable to physical therapy services is found in 28 Texas Administrative Code §134.203. The following sections of the Rule establish the policies applicable to the documentation of timed physical therapy codes.

§134.203 (b) For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following:

- (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers;

The applicable Medicare policy is found in the Medicare Claims Processing Manual, Chapter 5, <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c05.pdf> Section 20.2 (C) which states in pertinent part,

Pub. 100-02, Medicare Benefit Policy Manual, Chapter 15, Section 220.3B, Documentation Requirements for Therapy Services, indicates that ***the amount of time for each specific intervention/modality provided to the patient is not required to be documented in the Treatment Note. However, the total number of timed minutes must be documented*** [emphasis added].

Review and comparison of the “Daily Progress Notes” dated January 4, 6, 9, 11 and 18 to the applicable Medicare policy finds that the total number of timed units was indeed documented as follows:

- 97110: Therapeutic exercises (Time performed: 4 unit (1 unit = 15 Minutes)
- 97140: Manual therapy (Time performed: 1 unit (1 unit = 15 Minutes)

DWC concludes that the requestor met the applicable TAC §134.203 documentation requirement. The insurance carrier's denial reason is therefore not supported. The disputed services are eligible for payment.

2. 28 TAC §134.203 (c) states,

To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

- (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is date of service yearly conversion factor.)

On April 1st of 2013, Medicare implemented the Medicare Multiple Procedure Payment Reduction (MPPR). The MPPR policy may be found in the CMS Claims Processing Manual 100-04, Chapter 5, section 10.7 found at [www.cms.gov](http://www.cms.gov). The MPPR policy applies and to appropriately apply all services for each date of service are calculated below:

- Procedure code 97110, billed January 4, 2018 for four units has a PE of 0.4 not the highest for this date and will be paid at the reduced allowable of \$24.48.  $58.31/35.9996 \times \$24.48 \times 4 = \$158.60$
- Procedure code 97140, billed January 4, 2018 for two units has a PE of 0.35 not the highest for this date and will be paid at the reduced allowable of \$22.5.  $58.31/35.9996 \times \$22.5 \times 2 = \$72.89$

- Procedure code 97112, billed January 4, 2018 has a PE of 0.47 the highest for this date and will be paid at the full allowable of \$36.16.  $58.31/35.9996 \times \$36.16 = \$58.57$
  - Procedure code G0283, billed January 4, 2018 has a PE of 0.23 not the highest for this date and will be paid at the reduced allowable of \$11.14.  $58.31/35.9996 \times \$11.14 = \$18.04$
  - Procedure code 97110, billed January 6, 2018 for four units has a PE of 0.4 not the highest for this date and will be paid at the reduced allowable of \$24.48.  $58.31/35.9996 \times \$24.48 \times 4 = \$158.60$
  - Procedure code 97140, billed January 6, 2018 for two units has a PE of 0.35 not the highest for this date and will be paid at the reduced allowable of \$22.5.  $58.31/35.9996 \times \$22.5 \times 2 = \$72.89$
  - Procedure code 97112, billed January 6, 2018 has a PE of 0.47 the highest for this date and will be paid at the full allowable of \$36.16.  $58.31/35.9996 \times \$36.16 = \$58.57$
  - Procedure code G0283, billed January 6, 2018 has a PE of 0.23 not the highest for this date and will be paid at the reduced allowable of \$11.14.  $58.31/35.9996 \times \$11.14 = \$18.04$
  - Procedure code 97110, billed January 9, 2018 for four units has a PE of 0.4 not the highest for this date and will be paid at the reduced allowable of \$24.48.  $58.31/35.9996 \times \$24.48 \times 4 = \$158.60$
  - Procedure code 97140, billed January 9, 2018 for two units has a PE of 0.35 not the highest for this date and will be paid at the reduced allowable of \$22.5.  $58.31/35.9996 \times \$22.5 \times 2 = \$72.89$
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  - Procedure code 97110, billed January 18, 2018 for four units has a PE of 0.4 not the highest for this date and will be paid at the reduced allowable of \$24.48.  $58.31/35.9996 \times \$24.48 \times 4 = \$158.60$
  - Procedure code 97140, billed January 18, 2018 for two units has a PE of 0.35 not the highest for this date and will be paid at the reduced allowable of \$22.5.  $58.31/35.9996 \times \$22.5 \times 2 = \$72.89$
  - Procedure code 97112, billed January 18, 2018 has a PE of 0.47 the highest for this date and will be paid at the full allowable of \$36.16.  $58.31/35.9996 \times \$36.16 = \$58.57$
  - Procedure code G0283, billed January 18, 2018 has a PE of 0.23 not the highest for this date and will be paid at the reduced allowable of \$11.14.  $58.31/35.9996 \times \$11.14 = \$18.04$
3. The total allowable reimbursement for the services in dispute is \$1,540.50. This amount less the amount previously paid by the insurance carrier of \$725.02 leaves an amount due to the requestor of \$815.48. This amount is recommended.

**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 \$815.48.

**ORDER**

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 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 \$815.48, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this order.

**Authorized Signature**

		September 27, 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, 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.**