



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

UT Health East Texas Rehab

Respondent Name

Redwood Fire & Casualty Ins Co Rfcic

Carrier's Austin Representative

Box Number 6

MFDR Tracking Number

M4-20-2522-01

MFDR Date Received

June 17, 2020

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Per Texas Fee Schedule, this bill has been underpaid."

Amount in Dispute: \$407.89

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Once the time sheets are received, payment will be processed."

Response Submitted by: Berkshire Hathaway

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount in Dispute, Amount Due. Row 1: March 2 - 30, 2020, Outpatient Therapy Services, \$407.89, \$185.91

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

- 1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.403 sets out the reimbursement guidelines for outpatient hospital services.
3. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
- 01 - The charge for the procedure exceeds the amount indicated in the fee schedule
- 28 - The reduction was made for reasons indicated in note below or on the attached not or later
- D6 - The procedure is not allowed for this type of provider
- JF - Documentation submitted does not substantiate the service billed

Issues

1. Is the carrier's reduction of payment supported?
2. What rule(s) is applicable to disputed service?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement for outpatient therapy services performed in March 2020. The carrier reduced the allowed amount based on the documentation did not support number of units and provider type not eligible to bill for services provide.

28 Texas Administrative Code §134.403 (b) (3) requires system participants to follow Medicare payment policy including its coding, billing, and reporting payment policies. The Medicare coding guidelines at www.cms.gov states units are calculated as follows:

- 1 unit: ≥ 8 minutes through 22 minutes
- 2 units: ≥ 23 minutes through 37 minutes
- 3 units: ≥ 38 minutes through 52 minutes

Review of the submitted documentation found:

- March 2, 2020, Code 97110. The carrier denied for type of provider. Review of the submitted medical record was initialed by physical therapist. The insurance carrier's denial is not supported.
- March 11, 2020, Code 97110, therapeutic exercise each 15 minutes. The insurance carrier denied second and third unit based on documentation. Review of the submitted medical record found time in 8:10 time out 9:10 but no minutes are indicated in "therapeutic exercise". The insurance carrier's denial is supported.
- March 13, 2020, Code 97110, therapeutic exercise each 15 minutes. The insurance carrier denied the second unit based on documentation. Review of the submitted medical record found time in 7:24 time out 8:06. Therapeutic Exercise 35 is indicated. The insurance carriers' denial is not supported. Both units will be allowed.
- March 23, 2020, Code 97110, therapeutic exercise each 15 minutes. The insurance carrier denied second unit based on documentation. Review of the submitted medical record found time in 8:05 time out 9:06. Therapeutic exercise 35 is indicated. The insurance carrier's denial is not supported. Both units will be allowed.
- March 25, 2020, Code 97110, therapeutic exercise each 15 minutes. The insurance carrier denied second and third unit based on documentation. Review of the submitted medical record found time in 8:00 time out 9:08. Therapeutic exercise 40. Per Medicare coding policy shown above all three units will be allowed.
- March 27, 2020, Code 97110, therapeutic exercise each 15 minutes. The insurance carrier denied second and third unit based on documentation. Review of the submitted medical record found time in 8:00 time out 9:08. Therapeutic exercise 40. Per Medicare coding policy shown above all three units will be allowed.
- March 30, 2020, Code 97110, therapeutic exercise each 15 minutes. The insurance carrier denied second and third unit based on documentation. Review of the submitted medical record found time in 8:01 time out 9:17. Therapeutic exercise 40. Per Medicare coding policy shown above all three units will be allowed.
- March 2, 2020, Code 97530 therapeutic activity direct patient contact each 15 minutes. The carrier denied for type of provider. Review of the submitted medical record was initialed by physical therapist. The insurance carrier's denial is not supported.

- March 4, 2020, Code 97530 therapeutic activity direct patient contact each 15 minutes. The insurance carrier denied the second unit based on documentation. Review of the submitted medical record found time in 7:08 time out 8:00. Twenty minutes was indicated. Per the Medicare coding policy shown above, only one unit is allowed. The insurance carrier's denial is supported.
 - March 6, 2020 Code 97530 therapeutic activity direct patient contact each 15 minutes. The insurance carrier denied the second unit based on documentation. Review of the submitted medical record found time in 7:07 time out 8:08. Twenty minutes was indicated. Per the Medicare coding policy shown above, only one unit is allowed. The insurance carrier's denial is supported.
2. 28 TAC 134.403 applies to outpatient hospital services. Section (h) requires when Medicare reimburses using other Medicare fee schedules, reimbursement is made using the applicable Division Fee Guideline in effect for that service on the date was provided.

The applicable DWC fee guideline for physical therapy is 28 TAC §134.203 (b) (1) which requires the application of Medicare payment policies applicable to professional services.

The Medicare multiple procedure payment reduction (MPPR) applies to the Practice Expense (PE) of certain time-based physical therapy codes when more than one unit or procedure is provided to the same patient on the same day. The MPPR policy allows for full payment for the unit or procedure with the highest Practice Expense (PE) payment factor and for subsequent units the Practice Expense (PE) payment factor is reduced by 50 percent.

Review of the submitted medical bill provided indicates that three procedures were billed by the health care provider. In order to determine the MPPR allowable, the services provided are ranked by their PE expense shown below.

Code	Practice Expense	Allowed Amount	Medicare Policy
97012	0.17	\$23.57	MPPR applies
97110	0.4	\$15.08/12.18	MPPR applies on March 2, 4, and 6 No MPPR on 1 st unit MPPR applies when two or three units billed
97530	0.66	\$38.93	No MPPR

The *MPPR Rate File* that contains the payments for 2019 services is found at <https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

- MPPR rates are published by carrier and locality.
- The services were provided in Tyler, Texas
- The carrier code for Texas is 4412 and the locality code for Tyler is 99.

Applicable 28 TAC 134.203(h) states that the total reimbursement is the lesser of the maximum allowable reimbursement (MAR) and the billed amount.

Date of Service	Code	Units	Medicare Payment	DWC Conversion Factor divided by Medicare Conversion Factor or $60.32 \div 36.0896$	Billed Amount	Lesser of MAR and billed amount
March 23, 2020	97012	1	\$12.18	\$20.36	\$156.00	\$20.36
March 25, 2020	97012	1	\$12.18	\$20.36	\$156.00	\$20.36
March 27, 2020	97012	1	\$12.18	\$20.36	\$156.00	\$20.36
March 30, 2020	97012	1	\$12.18	\$20.36	\$156.00	\$20.36
March 2, 2020	97110	1	\$23.57	\$39.39	\$194.75	\$39.39
March 4, 2020	97110	1	\$23.57	\$39.39	\$194.75	\$39.39
March 6, 2020	97110	1	\$23.57	\$39.39	\$194.75	\$39.39
March 11, 2020	97110	1	\$30.41	\$50.83	\$584.25	\$50.83
March 13, 2020	97110	2	\$30.41/ 23.57	$\$50.83 + \$39.39 = \$90.22$	\$389.50	\$90.22
March 23, 2020	97110	2	\$30.41/ 23.57	$\$50.83 + \$39.39 = \$90.22$	\$389.50	\$90.22
March 25, 2020	97110	3	\$30.41/ 23.57	$\$50.83 + \$39.39 + \$39.39 = \129.61	\$584.20	\$129.61
March 27, 2020	97110	3	\$30.41/ 23.57	$\$50.83 + \$39.39 + \$39.39 = \129.61	\$584.20	\$129.61
March 30, 2020	97110	3	\$30.41/ 23.57	$\$50.83 + \$39.39 + \$39.39 = \129.61	\$584.20	\$129.61
March 2, 2020	97530	2	\$38.93/ 27.66	$\$65.07 + 46.23 = \111.30	\$468.00	\$111.30
March 4, 2020	97530	1	\$38.93	\$65.07	\$468.00	\$65.07
March 6, 2020	97530	1	\$38.93	\$65.07	\$468.00	\$65.07
Total						\$1,061.15

2. The total allowable DWC fee guideline reimbursement is \$1,061.15. The requestor indicates payment made in the amount of \$875.24. The remaining balance of \$185.91 is due to the requestor.

Conclusion

In resolving disputes over reimbursement for medically necessary health care to treat a compensable injury, the role of DWC is to adjudicate payment following Texas laws and DWC rules. The findings in this decision are based on the evidence available at the time of review. Even though not all the evidence was discussed, it was considered.

For the reasons above the requestor has established payment is due. As a result, the amount ordered is \$185.91.

ORDER

In accordance with Texas Labor Code Section 413.031 and 413.019 (if applicable) and based on the submitted information, DWC finds the requestor is entitled to additional reimbursement. DWC hereby ORDERS the respondent to remit to the requestor \$185.91, plus accrued interest per Rule §134.130, due within 30 days of receipt of this order.

Authorized Signature

		October 15, 2020
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 DWC within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to DWC 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 TAC §141.1(d).

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