



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Resolute Health System

Respondent Name

Texas Mutual Insurance Co

MFDR Tracking Number

M4-24-0590-01

Carrier's Austin Representative

Box Number 54

DWC Date Received

November 9, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 11, 2022	0111	\$3,566.00	Included in DRG
November 11, 2022	0250	\$259.00	Included in DRG
November 11, 2022	0300	\$1,492.00	Included in DRG
November 11, 2022	0450	\$7,926.00	\$7,835.20
WORK COMP ADJUSTMENT(S)	WC ADJUSTMENT(S)	\$-8,625.80	
Total		\$7,835.20	\$7,835.20

Requestor's Position

"...despite the Hospital's efforts and several Requests for Reconsiderations sent to TEXAS MUTUAL from 03/28/2023 through 11/03/2023, TEXAS MUTUAL has not issued proper payment. The above reference claim is still underpaid and an amount of no less than \$7,835.20 is expected."

Amount in Dispute: \$7,835.20

Respondent's Position

"Texas Mutual on 2/24/2023 received the bill from RESOLUTE HEALTH SYSTEM, a letter requesting records was sent to the hospital on 11/16/22 (Attachment) and records were received on 12/9/2022... The rationale given by the requestor for the late bill is not consistent with the Rule above. Our position is that no payment is due."

Response Submitted by: Texas Mutual

Findings and Decision

Authority

This medical fee dispute is decided according to [Texas Labor Code §413.031](#) and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Statutes and Rules

1. [28 Texas Administrative Code \(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.404](#) sets out the acute care hospital fee guideline for inpatient services.

Denial Reasons

The insurance carrier reduced the payment for the disputed services with the following claim adjustment codes:

Explanation of benefits dated January 18, 2023.

- Missing room and board charges on inpatient bill.
- CAC-P12 – Workers' compensation jurisdictional fee schedule adjustment.
- CAC-16 – Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
- 225 – The submitted documentation does not support the service being billed. We will re-evaluate this upon receipt of clarifying information.
- 892 – Denied in accordance with DWC Rules and/or medical fee guideline including current CPT code descriptions/instructions.

Explanation of benefits dated March 21, 2023.

- CAC-29 - The time limit for filing has expired.
- 731 – Per 133.20(B) provider shall not submit a medical bill later than the 95th day after the date of service.

Explanation of benefits dated May 17, 2023.

- CAC-18 – Exact duplicate claim/service.
- 224 – Duplicated charge.

Explanation of benefits dated August 18, 2023.

- CAC-W3 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- CAC-193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- CAC-29 – The time limit for filing has expired.
- 350 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- 731 – Per 133.20(B) provider shall not submit a medial bill later than the 95th day after the date of service.
- 891 – No additional payment after reconsideration.

Issues

1. Are the insurance carrier's denials for lack of documentation and timely filing supported?
2. What is the applicable rule for determining reimbursement for the disputed services?
3. Is the requestor entitled to payment?

Findings

1. This dispute pertains to inpatient Hospital services provided on November 11, 2022. The injured worker was seen at the emergency room with the intention of being admitted for additional surgery; but, in order for the surgery to be completed, the injured worker was required to be moved to another hospital.

The health care provider submitted a medical claim stating this was an inpatient transfer. Texas Mutual processed the medical claim on January 18, 2023, the claim was denied due to claim submission error(s) and missing room and board charges.

On November 16, 2022, Texas Mutual requested medical records, and as per Texas Mutual's position statement, the medical records were received on December 9, 2022.

The initial adjudication of the claim was made on January 18, 2023, **after** Texas Mutual's acknowledgement that it had received the requested medical records that detailed the services rendered by Resolute Health Hospital, before the transfer to San Antonio Military Medical Center. Texas Mutual's denials for lack of information and timely filing are not supported as the requestor submitted a complete medical bill with the requested information within 95 days.

2. The disputed issues are subject to payment, pursuant to 28 TAC §134.404(f), which stipulates that the Medicare facility specific amount (including outlier payments) shall be utilized to determine the maximum allowable reimbursement (MAR), and should include outlier payments, by applying Medicare Inpatient Prospective Payment System (IPPS) formulas and factors, that are published annually in the Federal Register, and are modified in accordance with the rules. Medicare IPPS formulas and factors are available from the Centers for Medicare and Medicaid Services at <http://www.cms.gov>.

The division determined the Medicare facility specific amount using Medicare's *Inpatient PPS PC Pricer* as a tool to efficiently identify and apply IPPS formulas and factors. This software is freely available from www.cms.gov.

Separate reimbursement for implants was not requested. DWC Rule 28 TAC §134.404(f)(1)(A) requires that the Medicare facility specific amount be multiplied by 143%.

Review of the submitted medical bill and supporting documentation finds that the assigned DRG code to be 563 and a transfer status of (02) – "Transferred to another acute care IPPS hospital or unit for related care."

The services were provided in New Braunfels, Texas. Based on the DRG code, service location, and bill-specific information, the Medicare facility specific amount is \$5,479.16. This amount multiplied by 143% results in a MAR of \$7,835.20.

3. The total recommended payment for the services in dispute is \$7,835.20. This amount is recommended.

Conclusion

The outcome of this medical fee dispute is based on the evidence presented by the requestor and the respondent at the time of adjudication. Though all evidence may not have been discussed, it was considered.

DWC determines that the requester has established that additional reimbursement of \$7,835.20 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to additional reimbursement for the disputed services. It is ordered that Texas Mutual Insurance Co., must remit to Resolute Health System, \$7,835.20 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

March 7, 2024
Date

Your Right to Appeal

Either party to this medical fee dispute has a right to seek review of this decision under 28 TAC §133.307, which applies to disputes filed on or after **June 1, 2012**.

A party seeking review must submit DWC Form-045M, *Request to Schedule, Reschedule, or Cancel a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (BRC-MFD)* and follow the instructions on the form. You can find the form at www.tdi.texas.gov/forms/form20numeric.html. DWC must receive the request within **20 days** of when you receive this decision. You may fax, mail, or personally deliver your request to DWC using the contact information on the form or the field office handling the claim. If you have questions about DWC Form-045M, please call CompConnection at 1-800-252-7031, option 3 or email CompConnection@tdi.texas.gov.

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

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 1-800-252-7031, opción 3 o correo electrónico CompConnection@tdi.texas.gov.