



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Peak Integrated Healthcare

Respondent Name

Ace American Insurance Co.

MFDR Tracking Number

M4-24-1324-01

Carrier's Austin Representative

Box Number 15

DWC Date Received

February 15, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 9, 2024	97110-GP	\$96.84	\$0.00
January 9, 2024	97112-GP	\$21.75	\$0.00
January 11, 2024	97110-GP	\$96.84	\$0.00
January 11, 2024	97112-GP	\$21.75	\$0.00
Total		\$237.18	\$0.00

Requestor's Position

"These are not duplicates and we have not been paid in full..."

Amount in Dispute: \$237.18

Respondent's Position

"For each date of service, Respondent has issued payment pursuant to the fee guidelines. For CPT code 97110-GP, using the original and reconsideration EOBs, Requestor was paid a total of \$274.74. For CPT code, 97112-GP, using the original and reconsideration EOBs, Requestor was paid a total of \$120.96."

Response Submitted by: Downs Stanford, PC

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 §133.307](#) sets out the procedures for Medical Fee Dispute Resolution requests.
2. [28 TAC §134.203](#) set out the fee guidelines for professional medical services.

Adjustment Reasons

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

- 163 – THE CHARGE FOR THIS PROCEDURE EXCEEDS THE UNIT VALUE AND/OR THE MULTIPLE PROCEDURE RULES.
- 119 – BENEFIT MAXIMUM FOR THIS TIME PERIOD OR OCCURRENCE HAS BEEN REACHED.
- 1002 - Due to an error in processing the original bill, we are recommending further payment be made for the above noted procedure.
- 2008 - ADDITIONAL PAYMENT MADE ON APPEAL/RECONSIDERATION
- P12 - WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.

Issues

1. Has the requestor been previously paid for the dates of service in dispute?
2. Is the requestor entitled to additional reimbursement?

Findings

1. A review of submitted medical bills finds that on each disputed date of service, January 9, 2024, and January 11, 2024, the requestor billed the insurance carrier for the following therapy services and amounts:

- On January 9, 2024, the requestor billed CPT code 97110 x 6 units in the amount of \$360.72 and billed CPT code 97112 x 2 units in the amount of \$138.04.
- On January 11, 2024, the requestor billed CPT code 97110 x 6 units in the amount of \$360.72 and billed CPT code 97112 x 2 units in the amount of \$138.04.

A review of the submitted explanation of benefits (EOB) documents finds the following reimbursements were allowed for the services in dispute:

Date of Service, January 9, 2024

- EOB dated January 23, 2024, allowed \$263.88 for CPT code 97110 x 6 units. The same EOB allowed \$116.29 for CPT code 97112 x 2 units.
- EOB dated February 15, 2024, allowed an additional \$10.86 for CPT code 97110 x 6 units. The same EOB allowed an additional \$4.67 for CPT code 97112 x 2 units.
- The insurance carrier has allowed a total reimbursement amount of \$274.74 for CPT code 97110 x 6 units and a total reimbursement amount of \$120.96 for CPT code 97112 x 2 units.

Date of Service, January 11, 2024

- EOB dated January 23, 2024, allowed \$263.88 for CPT code 97110 x 6 units. The same EOB allowed \$116.29 for CPT code 97112 x 2 units.
- EOB dated February 15, 2024, allowed an additional \$10.86 for CPT code 97110 x 6 units. The same EOB allowed an additional \$4.67 for CPT code 97112 x 2 units.
- The insurance carrier has allowed a total reimbursement amount of \$274.74 for CPT code 97110 x 6 units and a total reimbursement amount of \$120.96 for CPT code 97112 x 2 units.
- Per EOB documents submitted, the insurance carrier has allowed reimbursement in the amount of \$395.70 per each date of service in dispute for a total reimbursement amount of \$791.40 for all services in dispute.

DWC finds that the requestor has been reimbursed a total amount of \$791.40 for the services in dispute.

2. The requestor is seeking additional reimbursement in the amount of \$237.18 for services rendered on January 9, 2024, and on January 11, 2024.

The fee guidelines applicable to the services rendered on the disputed dates are found at 28 TAC §134.203, which states in pertinent part, "(a)(5) 'Medicare payment policies' when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."

Medicare Claims Processing Manual Chapter 5, 10.3.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions for Outpatient Rehabilitation Services, states:

Full payment is made for the unit or procedure with the highest PE payment.

For subsequent units and procedures with dates of service prior to April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment is made for the PE for services submitted on professional claims (any claim submitted using the ASC X12 837 professional claim format or the CMS-1500 paper claim form) and 75 percent payment is made for the PE for services submitted on institutional claims (ASC X12 837 institutional claim format or Form CMS-1450).

For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 50 percent payment is made for the PE for services submitted on either professional or institutional claims.

To determine which services will receive the MPPR, contractors shall rank services according to the applicable PE relative value units (RVU) and price the service with the highest PE RVU at 100% and apply the appropriate MPPR to the remaining services.

When the highest PE RVU applies to more than one of the identified services, contractors shall additionally sort and rank these services according to highest total fee schedule amount, and price the service with the highest total fee schedule amount at 100% and apply the appropriate MPPR to the remaining services.

Review of the Medicare policies finds that the 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. Medicare publishes a list of the codes subject to MPPR annually.

The MPPR Rate File that contains the payments for 2024 services is found at: www.cms.gov/Medicare/Billing/TherapyServices/index.html.

DWC finds that CPT Codes 97110 and 97112 are subject to the MPPR policy. The CPT code 97112 is found to have the highest PE/RVU of the therapeutic services billed on the disputed dates of service. Therefore, the first unit of CPT code 97112 will receive full payment and the reduced PE payment will apply to all subsequent units of timed therapy codes performed on the same date of service.

28 TAC §134.203 states in pertinent part, "(c) 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 \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32. (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year..."

- MPPR rates are published by carrier and locality.
- Per the medical bills, the services were rendered in zip code 75211; Medicare locality is 11, Dallas, TX.
- To determine the MAR the following formula is used:
(DWC Conversion Factor/Medicare Conversion Factor) X Medicare Payment = MAR
- The 2024 DWC Conversion Factor is 67.81
- The 2024 Medicare Conversion Factor is 32.7442
- The Medicare Participating amount for CPT code 97112 at locality 11 in 2024, is \$33.33 for the first unit and \$25.08 for the subsequent units.
- Using the above formula, DWC finds the MAR is \$69.02 for the first unit and \$51.94 for the second unit. Therefore, the MAR for CPT code 97112 x 2 units rendered on each disputed date of service = \$120.96.
- The insurance carrier paid \$120.96 for each disputed date of service.
- No additional reimbursement is recommended.
- The Medicare Participating MPPR discount amount for CPT code 97110 at locality 11 in 2024 is \$22.11.
- Using the above formula, DWC finds the MAR for CPT code 97110 x 6 units rendered on each disputed date of service = \$274.73.
- The insurance carrier paid \$274.74 for each disputed date of service.
- No additional reimbursement is recommended.
- DWC finds that the total MAR for 2 units of CPT code 97112 plus 6 units of CPT code 97110 is \$395.69 per disputed date of service. DWC finds that the total MAR for all services in dispute is \$791.38.
- The insurance carrier paid \$395.70 per each disputed date of service for a total reimbursement amount of \$791.40 for all services in dispute.

DWC finds that no additional reimbursement is due.

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 finds the requestor has not established that additional reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to additional reimbursement in the amount of \$0.00 for the disputed services.

Authorized Signature:

March 22, 2024

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 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, 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.tas.gov.