



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Texas Health of Dallas

Respondent Name

Texas Mutual Insurance Co

MFDR Tracking Number

M4-24-1358-01

Carrier's Austin Representative

Box Number 54

DWC Date Received

February 19, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 27, 2011	111	Left blank	Inclusive
August 27, 2011	200	Left blank	\$13,008.04
August 27, 2011	250	Left blank	Inclusive
August 27, 2011	250	Left blank	Inclusive
August 27, 2011	272	Left blank	Inclusive
August 27, 2011	300	Left blank	Inclusive
August 27, 2011	300	Left blank	Inclusive
August 27, 2011	301	Left blank	Inclusive
August 27, 2011	305	Left blank	Inclusive
August 27, 2011	305	Left blank	Inclusive
August 27, 2011	306	Left blank	Inclusive
August 27, 2011	307	Left blank	Inclusive
August 27, 2011	300	Left blank	Inclusive
August 27, 2011	300	Left blank	Inclusive
August 27, 2011	320	Left blank	Inclusive
August 27, 2011	351	Left blank	Inclusive
August 27, 2011	351	Left blank	Inclusive

August 27, 2011	301	Left blank	Inclusive
August 27, 2011	300	Left blank	Inclusive
August 27, 2011	420	Left blank	Inclusive
August 27, 2011	424	Left blank	Inclusive
August 27, 2011	430	Left blank	Inclusive
August 27, 2011	434	Left blank	Inclusive
August 27, 2011	440	Left blank	Inclusive
August 27, 2011	450	Left blank	Inclusive
August 27, 2011	481	Left blank	Inclusive
August 27, 2011	611	Left blank	Inclusive
August 27, 2011	636	Left blank	Inclusive
August 27, 2011	682	Left blank	Inclusive
August 27, 2011	730	Left blank	Inclusive
Total		\$15,530.40	\$13,008.04

Requestor's Position

"The injured employee, the carrier, and TDI DWC signed a DWC-24 Benefit Dispute Agreement on December 19, 2023, agreeing that "the compensable injury of (redacted), DOES extend to and include (redacted)." Texas Mutual then reprocessed the claim and produced its Explanation of Benefits on February 9, 2024, paying \$15,405.83 on the claim, and \$2,724.84 in interest. The hospital calculated the MAR at \$30,936.23. Accordingly, Texas Mutual has underpaid the claim by \$15,530.40."

Amount in Dispute: \$15,530.40

Respondent's Position

"The disputed date of service is 8/27/2021 to 9/3/2021 is greater than one year from the TDI/DWC date stamp of February 19, 2024, listed on the requestor DWC60 packet and has waived its right to DWC MDR. 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 \(TLC\) §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](#)) [§133.305](#) sets out the procedures for resolving medical disputes.
2. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.

Denial Reasons

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

- CAC-P12 – Workers' compensation jurisdictional fee schedule adjustment.
- CAC-W3 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- 350 – In accordance with TDI-DWC 134.804, this bill has been identified as a request for reconsideration or appeal.
- 468 – Pricing is based on the medical hospital inpatient prospective system methodology.

Issues

1. Did Texas Mutual take final action on the bill for the disputed service before medical fee dispute resolution was requested?
2. Is Texas Mutual's reduction based on workers' compensation fee schedule supported?
3. Is Texas Health of Dallas entitled to additional reimbursement?

Findings

1. The requestor seeks reimbursement for inpatient hospital services rendered in August, 2021.

DWC Rule 28 TAC §133.307(c)(1)(B)(i) states: "(c) Requests. Requests for MFDR must be legible and filed in the form and manner prescribed by the division. (1) Timeliness. A requestor shall timely file the request with the DWC's MFDR Section or waive the right to MFDR. The DWC shall deem a request to be filed on the date the MFDR Section receives the request. A decision by the MFDR Section that a request was not timely filed is not a dismissal and may be appealed pursuant to subsection (g) of this section... (B) A request may be filed later than one year after the date(s) of service if: (i) a related compensability, extent of injury, or liability dispute under Labor Code Chapter 410 has been filed, the medical fee dispute

shall be filed not later than 60 days after the date the requestor receives the final decision, inclusive of all appeals, on compensability, extent of injury, or liability..."

The DWC reviewed the submitted documentation and finds:

- The dispute relates to outpatient facility charges rendered on August 27, 2021.
 - The requestor submitted a copy of a BRC agreement dated December 19, 2023.
 - 60 days after December 19, 2023, is February 18, 2024.
 - February 18, 2024, falls on a Sunday, the next business day is February 19, 2024.
 - The request for medical fee dispute resolution was received by the division on February 19, 2024.
 - The disputed date of service was submitted within 60 days after the BRC agreement. The requestor is therefore eligible for MFDR review.
 - The respondent issued a payment totaling \$18,130.67 which included interest on February 9, 2024.
 - The requestor seeks an additional payment of \$15,530.40.
2. This dispute regards inpatient hospital facility services rendered in August 2021 with payment subject to DWC Rule 28 TAC §134.404(f), requiring the maximum allowable reimbursement (MAR) to be the Medicare facility specific amount (including outlier payments) applying Medicare Inpatient Prospective Payment System (IPPS) formulas and factors, as published annually in the Federal Register, with modifications set forth in the rules. Medicare IPPS formulas and factors are available from the Centers for Medicare and Medicaid Services at <http://www.cms.gov>.

The division calculates 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. Note: the "VBP adjustment" listed in the *PC Pricer* was removed in calculating the facility amount for this admission. Medicare's Value-Based Purchasing (VBP) program is an initiative to improve quality of care in the Medicare system. However, such programs conflict with Texas Labor Code sections 413.0511 and 413.0512 regarding review and monitoring of health care quality in the Texas workers' compensation system. Rule §134.404(d)(1) requires that specific Labor Code provisions and division rules take precedence over conflicting CMS provisions for administering Medicare. Consequently, VBP adjustments are not considered in determining the facility reimbursement.

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 the assigned DRG code to be 026. The service location is Dallas, Texas. Based on DRG code, service location, and bill-specific information, the Medicare facility specific amount is \$31,138.71.

3. The total recommended payment for the services in dispute is \$31,138.71. The insurance carrier has paid \$18,130.67. The requestor is entitled to an additional payment of \$13,008.04. 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 finds the requestor has established that additional reimbursement of \$13,008.04 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 must remit to Texas Health of Dallas \$13,008.04 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	April 30, 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.texas.gov.