



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Texas Spine and Joint Hospital

**Respondent Name**

New Hampshire Insurance Co

**MFDR Tracking Number**

M4-24-1431-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

March 1, 2024

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 16, 2023	62321	\$3,287.00	\$1,163.04
<b>Total</b>		<b>\$3,287.00</b>	<b>\$1,163.04</b>

### Requestor's Position

"The Hospital contends that the bill is incorrectly denied as bundled. CPT 62321 is a reimbursable code under the worker's compensation guidelines. This is the only bill for this date of service for the Hospital's facility charge to the carrier, and no part of the Hospital's facility bill has been reimbursed by the Carrier."

**Amount in Dispute:** \$3,287.00

### Respondent's Position

"We are attaching a copy of the carrier's EOB dated December 8, 2023 that is also in the provider's DWC 60 packet. The carrier currently stands by the position set out on its EOB."

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

### 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 §134.403](#) sets out the fee guidelines for outpatient hospital services.

## Denial Reasons

The insurance carrier reduced or denied the disputed service(s) with the following claim adjustment codes.

- 5721 – To avoid duplicate bill denial for all reconsiderations/adjustment/additional payment request. Submit a copy of this EOB or clear notation.
- 65PPH – Priced using Coventry owned contract.
- 90223 – Workers' compensation jurisdictional fee schedule adjustment.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- 6183 – The charge for the services represented by the revenue code are included/bundled into the total facility payment and do not warrant a separate payment or the PA
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- 5283 – Additional allowance is not recommended as this bill was reviewed in accordance with state guidelines, usual and customary policies, (illegible).

## Issues

1. What is the rule applicable to reimbursement?
2. Is the requestor entitled to additional reimbursement?

## Findings

1. The requestor is seeking payment of outpatient hospital services rendered in November 16, 2023. The insurance carrier denied based on bundling. Review of the applicable Medicare payment policy based on the assigned status indicator is found below.

The explanation of benefits indicates a "Coventry" contract. Review of the submitted documentation was insufficient to support a negotiated rate between the two parties.

DWC Rule 28 TAC §134.403 (d) requires Texas workers' compensation system participants when coding, billing, reporting and reimbursement to apply Medicare payment policies in effect on the date of service.

The Medicare payment policy applicable to the services in dispute is found at [www.cms.gov](http://www.cms.gov), Claims processing Manual, Chapter 4, Section 10.1.1. Specifically, Payment Status Indicators and Ambulatory Payment Category (APC).

DWC Rule 28 TAC §134.403 (e)(2) states in pertinent part, regardless of billed amount, if no contracted fee schedule exists that complies with Labor Code §413.011, the maximum allowable reimbursement (MAR) amount under subsection (f) of this section including any applicable outlier payment amounts and reimbursement for implantables.

DWC Rule 28 TAC §134.403 (f) states in pertinent part the reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the *Federal Register*.

The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by: (A) 200 percent; unless (B) a facility or surgical implant provider requests separate reimbursement in accordance with subsection (g) of this section, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 130 percent. Review of the submitted medical bill found implants are not applicable. The Medicare facility specific reimbursement will be multiplied by 200%.

The Medicare facility specific amount is calculated when the APC payment rate is multiplied by 60% to determine the labor portion. This amount is multiplied by the facility wage index for the date of service. The non-labor amount is determined when the APC payment rate is multiplied by 40%. The sum of the labor portion multiplied by the facility wage index and the non-labor portion determines the Medicare specific amount. Review of the submitted medical bill and the applicable fee guidelines referenced above is shown below.

- Procedure code 62321 has status indicator T. This code is assigned APC 5442. The OPPS Addendum A rate is \$644.34 multiplied by 60% for an unadjusted labor amount of \$386.60, in turn multiplied by facility wage index 0.8375 for an adjusted labor amount of \$323.78.

The non-labor portion is 40% of the APC rate, or \$257.74.

The sum of the labor and non-labor portions is \$581.52

The Medicare facility specific amount is \$581.52 multiplied by 200% for a MAR of \$1,163.04.

2. The total recommended reimbursement for the disputed services is \$1,163.04. The insurance carrier paid \$0.00. The amount due is \$1,163.04. 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 requester has 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 for the disputed services. It is ordered that New Hampshire Insurance Co must remit to Texas Spine and Joint Hospital \$1,163.04 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

**Authorized Signature**

		April 4, 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](http://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](mailto: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 electronico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).