



Medical Fee Dispute Resolution Findings and Decision General Information

Requestor Name
PEAK INTEGRATED
HEALTHCARE

Respondent Name
ACIG INSURANCE CO

MFDR Tracking Number
M4-24-1432-01

Carrier's Austin Representative
Box Number 47

DWC Date Received
March 4, 2024

Summary of Findings

| Dates of Service | Disputed Services | Amount in Dispute | Amount Due |
|------------------|---|-------------------|------------|
| January 3, 2024 | Code 97110-GP (6 units) | \$346.86 | \$0.00 |
| January 3, 2024 | Code 97712-GP (2 units) | \$132.76 | |
| January 4, 2024 | CPT Code 97750-FC (8 units) Functional Capacity Evaluation (FCE) | \$133.92 | |
| Total | | \$613.54 | \$0.00 |

Requestor's Position

"UPON RECONSIDERATION CARRIER STATES 'AMOUNT IS APPROVED', HOWEVER WE HAVE RECEIVED NO PAYMENT, OR NOT FULL PAYMENT***

This was denied FULL payment due to 'PROVIDER HAS BILLED FOR EXACT SERVICES ON PREVIOUS BILL'. This is incorrect. AND THE DENIAL ALSO STATES THAT AMOUNT IS APPROVED."

Amount in Dispute: \$613.54

Respondent's Position

"As reflected in the EOBs, ACIG Insurance Company properly reimbursed Peak Integrated Healthcare in accordance with the Texas Workers' Compensation Act and Division Rules. ACIG

reimbursed Peak Integrated \$395.63 for date of service January 3, 2024 and \$423.60 for date of injury January 4, 2024.”

Response Submitted by: Burns Anderson Jury & Brewer

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 §134.203 sets out the fee guideline for professional medical services.
3. 28 TAC §134.210 applied to fee guidelines for division-specific services.
4. 28 TAC §134.225 sets the reimbursement guidelines for FCEs.

Denial Reasons

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

- N3 – a reduction was made because a different provider has billed for the exact service on a previous bill.
- ZR – The provider or a different provider has billed for the exact service on a previous bill where not allowance was originally recommended.
- 60 – The provider has billed for the exact service on a previous bill.
- MU – Physical medicine and rehabilitation services may not be reported in conjunction with an evaluation and management code performed on the same day.
- ZR – The provider or a different provider has billed for the exact service on a previous bill where no allowance was originally recommended.

Issues

1. Is PEAK INTEGRATED HEALTHCARE entitled to additional reimbursement?

Findings

1. The requestor seeks reimbursement for CPT Code 97110, 97112 and 97750 rendered on January 3, 2024 and January 4, 2024.

28 TAC §134.203(b)(1) states, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."

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.

Reimbursement is determined for the following CPT Codes 97710-GP, 97112 rendered January 3, 2024 and CPT Code 97750-GP rendered January 4, 2024.

The chart below outlines the ranking for PE payment for each of the codes billed by the health care provider.

CPT Code Practice Expense

| Code | Practice Expense |
|-------|------------------|
| 97112 | 33.33 / 25.08 |

As shown above CPT Code 97112 has the highest PE payment amount for the dates of service indicated above, therefore, the reduced PE payment applies to all other services.

The DWC determined that CPT Code 97750-GP is the only CPT Code billed on January 24, 2022, as a result the first unit is not reduced and the subsequent seven units are reduced pursuant to the Medicare MPPR edits.

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..."

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

To determine the MAR for date of service January 3, 2024 and January 4, 2024 the following formula is used:

$(\text{DWC Conversion Factor} / \text{Medicare Conversion Factor}) \times \text{Medicare Payment} = \text{MAR}$.

CPT Codes **97710-GP** and **97112-GP** rendered on January 3, 2024 and CPT code 97750 for date of service January 4, 2024

- MPPR rates are published by carrier and locality.
- The disputed date of service is January 3, 2024 and January 4, 2024.
- The disputed service was rendered in zip code 75043, locality 11.
- The 2024 DWC Conversion Factor is 64.83.
- The 2024 Medicare Conversion Factor is 33.8872.

The Medicare participating amount for CPT code **97112** at this locality is \$33.33 for the first unit, and \$25.08 for subsequent one unit.

- Using the above formula, the DWC finds the total MAR for CPT **97112** is \$63.76 for the first unit and \$47.98 for the subsequent units, for a total MAR of \$111.74.
- The respondent paid \$120.95.
- Therefore, no reimbursement is due to the requestor.

The MAR amount for CPT code **97110** at this locality is \$22.11 x 6 units.

- Using the above formula, the DWC finds the total MAR is \$253.79 for 6 units.

- The respondent paid \$274.68.
- No additional reimbursement is recommended to the requestor.

The Medicare Participating amount for CPT **97750** X 8 units at this locality is \$33.65 for the first unit and \$24.42 for subsequent seven units.

- Using the above formula, the DWC finds the MAR for the first unit is \$64.38 and \$327.03 for the subsequent seven units, for a total of \$391.41.
- The respondent paid \$423.60.
- No additional reimbursement is due to the requestor.

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.

The division finds that no additional reimbursement is due.

Order

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

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. 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.