TDI Division of Workers' Compensation
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Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name
VHS Brownsville Hospital

Respondent Name
Hartford Insurance Co of Illinois

MFDR Tracking Number
M4-24-1578-01

Carrier's Austin Representative
Box Number 47

DWC Date Received
March 19, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 30, 2023	0250	2561.00	$0.00
March 30, 2023	0278	77456.59	$0.00
March 30, 2023	0300	4838.00	$0.00
March 30, 2023	0320	1984.00	$0.00
March 30, 2023	0360	41303.56	$3799.16
March 30, 2023	0370	13689.00	$0.00
March 30, 2023	0636	10115.00	$0.00
March 30, 2023	0710	2900.00	$0.00
March 30, 2023	0730	1034.00	$0.00
March 30, 2023	WC ADJUSTMENTS	-151687.91	$0.00
	Total	$4193.24	$3799.16

Requestor's Position

"The Hospital billed Gallagher Bassett, but the bill was underpaid and not paid in accordance with Chapter 134 regarding proper reimbursement for implantables. However, despite the Hospital's efforts and Request for Reconsideration to The Hartford has not rendered proper payment."

Supplemental response submitted May 3, 2024

"I have reviewed my client's system and nor **further/additional payment** has been made at this time."

Amount in Dispute: $4193.24

Respondent's Position

"Our initial response to the above referenced medical fee dispute resolution is as follows: we have escalated the bills in question for manual review to determine if additional monies are owed. We will provide a supplemental response once the bill auditing company has finalized their review."

Supplemental response May 20, 2024

Our supplemental response for the above referenced medical fee dispute resolution is as follows: the bills in question were escalated and a review completed. Our bill audit company has determined no further payment is due. …Rationale: Duplicate charges The provider still has not submitted the needed manufacturers invoices to allow the implant charges.

Response submitted by: Gallager Bassett

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 §133.10 sets out billing requirements when requesting separate implant reimbursement.
3. 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.

- 97 – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- TX618 – This code has a status Q APC indicator and is packaged into other APC does that have been identified by CMS.
- 262 – An attachment /other documentation is required to adjudicate this claim/service.

- TX253 – In order to review this charge please submit a copy of the certified invoice.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- P13 – Payment reduced or denied based on workers' compensation jurisdictional regulations or payment policies.
- XXU03 - The billed service was reviewed by UR and authorized.
- W3 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- 18 – Exact duplicate claim/service.

Issues

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

Findings

1. The requestor is seeking additional payment for outpatient hospital services rendered in March of 2023. The insurance carrier reduced the payment based on the workers' compensation fee guidelines.

   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, 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 exits 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 a request for implants was not made. The Medicare facility specific reimbursement amount will be multiplied by 200 percent.

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 C1713 has a status indicator of N. Box 80 of the submitted medical bill did not contain a request for separate implant reimbursement as required by DWC Rule 28 TAC §133.10 (2)(QQ) which states, "remarks (UB-04/field 80) is required when separate reimbursement for surgically implanted devices is requested." No separate reimbursement is recommended.

- Procedure code C1762 has a status indicator of N. Box 80 of the submitted medical bill did not contain a request for separate implant reimbursement as required by DWC Rule 28 TAC §133.10 (2)(QQ) which states, "remarks (UB-04/field 80) is required when separate reimbursement for surgically implanted devices is requested." No separate reimbursement is recommended.

- Procedure code 80053 has a status indicator of Q4. Reimbursement is packaged into primary J1 procedure.

- Procedure code 82962 has a status indicator of Q4. Reimbursement is packaged into primary J1 procedure.

- Procedure code 85025 has a status indicator of Q4. Reimbursement is packaged into primary J1 procedure.

- Procedure code 85610 has a status indicator of Q4. Reimbursement is packaged into primary J1 procedure.

- Procedure code 85730 has a status indicator of Q4. Reimbursement is packaged into primary J1 procedure.

- Procedure code 86850 has a status indicator of Q1. Reimbursement is packaged into primary J1 procedure.

- Procedure code 86900 has a status indicator of Q1. Reimbursement is packaged into primary J1 procedure.

- Procedure code 86901 has a status indicator of Q1. Reimbursement is packaged into primary J1 procedure.

- Procedure code 71045 has a status indicator of Q3. Reimbursement is packaged into primary J1 procedure.

- Procedure code 29827 has status indicator J1, for procedures paid at a comprehensive rate. All covered services on the bill are packaged with the primary "J1" procedure. This code is assigned APC 5114. The OPPS Addendum A rate is $6,397.05 is multiplied by 60% for an unadjusted labor amount of $3,838.23, in turn multiplied by facility wage index 0.8427 for an adjusted labor amount of $3,234.48.

  The non-labor portion is 40% of the APC rate, or $2,558.82.

  The sum of the labor and non-labor portions is $5,793.30.

  The Medicare facility specific amount is $5,793.30 multiplied by 200% for a MAR of $11,586.60.

- Procedure code 29823 has a status indicator of J1. Medicare payment policy requires the ranking of multiple J1 procedures to determine highest ranking code. Review of Addenda J at www.cms.gov, found Code 29827 has a ranking of 485. Code 29823 has a ranking of 1,776. Code 29827 is the highest ranked J1 code and receives reimbursement. No payment is recommended for code 29823.

- Procedure code J0171 has a status indicator of N. Reimbursement is packaged into primary J1 procedure.

- Procedure code J1100 has a status indicator of N. Reimbursement is packaged into primary J1 procedure.

- Procedure code J2250 has a status indicator of N. Reimbursement is packaged into primary J1 procedure.

- Procedure code J2704 has a status indicator of N. Reimbursement is packaged into primary J1 procedure.

- Procedure code J2710 has a status indicator of N. Reimbursement is packaged into primary J1 procedure.

- Procedure code J3010 has a status indicator of N. Reimbursement is packaged into primary J1 procedure.

2. The total recommended reimbursement for the disputed services is $11,586.60. The insurance carrier paid $7,787.44. The amount due is $3,799.16. 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 Hartford Insurance Co of Illinois must remit to VHS Brownsville Hospital $3,799.16 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	May 28, 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 electronico CompConnection@tdi.texas.gov.