

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name
PEAK INTEGRATED
HEALTHCARE

Respondent Name
LIBERTY INSURANCE CORP

MFDR Tracking Number
M4-24-1961-01

Carrier's Austin Representative
Box Number 60

DWC Date Received
May 8, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
February 29, 2024	Code 97710-GP	\$85.98	\$0.00
February 29, 2024	Code 97112-GP	\$34.16	\$17.08
Total		\$120.14	\$17.08

Requestor's Position

"This bill was denied payment due to 'exceeds fee schedule'. This is INCORRECT. We have not had a reason for denial OF FULL PAYMENT and we requested authorization for CPT codes 97110 AND 97112 before scheduling treatment."

Amount in Dispute: \$120.14

Respondent's Position

We have again reviewed payment for the services of February 29, 2024, and determined that reimbursement was issued according to the guidelines provide by the Texas Medical Fee

Schedule. The provider billed 97750[sic] for 8 units. The first unit for 97750[sic] was paid at \$69.69...”

Response Submitted by: Liberty Mutual Insurance

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 reimbursement guidelines for professional medical services.

Denial Reasons

The insurance carrier 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
- 876 – Fee schedule amount is equal to the charge
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly

Issues

1. Is Peak Integrated Healthcare entitled to additional reimbursement?

Findings

1. The requestor is seeking additional reimbursement for CPT Codes 97110-GP (6 units) and 97712-GP (2 units), rendered on February 29, 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 97110-GP and 97112-GP rendered February 29, 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	Medicare Policy
97110	42	MPPR applies
97112	50	MPPR applies

As shown above CPT code 97112 has the highest PE payment amount for the services billed by the provider that day, therefore the reduced PE payment applies to all other services.

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 payment for 2024 services is found at <http://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

To determine the MAR the following formula is used:

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

- MPPR rates are published by carrier and locality.
- The disputed date of service is February 29, 2024.
- The disputed service was rendered in zip code 75043, Dallas, TX .
- The 2024 DWC Conversion Factor is 67.81.
- The 2024 Medicare Conversion Factor is 32.7442.

The Medicare participating amount for **CPT code 97112-GP** at this locality is \$33.33 for the first unit, and \$25.08 for the subsequent 1 unit.

- The MAR amount for CPT code 97112-GP at this locality is \$69.02 for the first unit, and \$51.94 for the subsequent 1 unit.
- Using the above formula, the DWC finds the total MAR is \$120.96.
- The respondent paid \$103.88.
- Requestor is seeking \$34.19.
- Reimbursement in the amount of \$17.08 is recommended.

The Medicare participating MPPR discount amount for **CPT code 97110-GP** at this locality is \$22.11 for 6 units.

- The MAR amount for CPT code 97110-GP at this locality is \$274.73.
- Using the above formula, the DWC finds the total MAR is \$274.73.
- The respondent paid \$274.74.

- Requestor is seeking \$85.98.
- Reimbursement in the amount of \$0.00 is recommended.

The insurance carrier paid a total of \$378.62 for the disputed service. The total recommended MAR reimbursement is \$17.08

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 LIBERTY INSURANCE CORP must remit to PEAK INTEGRATED HEALTHCARE \$17.08 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature



May 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, 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.