



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

North Texas Rehabilitation Center

Respondent Name

Fire Insurance Exchange

MFDR Tracking Number

M4-24-2795-01

Carrier's Austin Representative

Box Number 14

DWC Date Received

August 14, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 15, 2024 – April 26, 2024	97545-WH and 97546-WH	\$2,918.40	\$0.00
	Interest	\$56.09	\$56.09
	Total	\$2,974.49	\$56.09

Requestor's Position

Excerpt from the request for reconsideration dated June 12, 2024: "After reviewing the Explanation of Benefits from the payer You can see that the claim was not keyed appropriately and, therefore, not paid correctly. The dates of service were April 22, 23, 24, 25, and 26, 2024, each for 8 hours. According to the Explanation of Benefits, each line item was billed as '1'."

Requestor's Supplemental Position

Via email correspondence dated November 14, 2024: "I received payment with no interest."

Amount in Dispute: Interest.

Respondent's Position

"After reviewing the documentation provided the bill was reviewed per Centers for Medicaid and Medicare (CMS) methodology and determined that additional allowance is due to the provider. The bill was re-processed under bill id FWTX-37438 and an additional recommendation of \$1,446.40 was made. Check date: 9/18/2024, Check# 1640482929, Check amount \$1,446.40."

Respondent's Supplementary Position

Via email correspondence dated October 2, 2024: "I apologize since the bills were originally processed separately; I missed those dates of service. I reprocessed the bill today under FWTZ-37643 with an additional allowance of \$1472.00 CK#1640612754 Ck date 10/02/2024."

Response Submitted by: Mitchell International, Inc.

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 §134.230](#) sets out medical fee guidelines for Return to Work Rehabilitation programs.
3. [28 TAC §134.130](#) sets out the procedures for Interest for Late Payment on Medical Bills and Refunds.
4. [28 TAC §102.4](#) sets out the rules for non-Commission communications.
5. [TLC §413.019](#) sets out the procedures for Interest Earned for Delayed Payment, Refund, or Overpayment regarding medical services and fees.
6. [TLC §401.023](#) sets out the procedures for computation of Interest or Discount Rate.

Adjustment Reasons

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

- 350 & W3 – BILL HAS BEEN IDENTIFIED AS A REQUEST FOR RECONSIDERATION OR APPEAL.
- 790 - THIS CHARGE WAS REIMBURSED IN ACCORDANCE TO THE TEXAS MEDICAL FEE GUIDELINE.
- G15 - PRICING IS CALCULATED BASED ON THE MEDICAL PROFESSIONAL FEE SCHEDULE VALUE.
- P12 - WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
- P13 - PAYMENT REDUCED OR DENIED BASED ON WORKERS' COMPENSATION JURISDICTIONAL REGULATIONS OR PAYMENT POLICIES.
- U03 - THE BILLED SERVICE WAS REVIEWED BY UR AND AUTHORIZED.

Issues

1. What rules apply to the reimbursement of the Work Hardening services in dispute?
2. What is the total maximum allowable reimbursement (MAR) for the services rendered on the disputed dates April 15 – 26, 2024?
3. Has the insurance company issued payment for the disputed services as of the date of this review?
4. When was the medical bill received by the insurance company?
5. According to 28 TAC §134.130, how is the interest on delayed medical payments to be calculated?
6. Does the requestor have the right to further reimbursement?

Findings

1. DWC finds that 28 TAC §134.230 applies to the billing and reimbursement of the Work Hardening services in dispute.

28 TAC §134.230(1) states "Accreditation by the CARF is recommended but not required. (A) If the program is CARF accredited, modifier "CA" shall follow the appropriate program modifier as designated for the specific programs listed below. The hourly reimbursement for a CARF accredited program shall be 100 percent of the maximum allowable reimbursement (MAR). (B) If the program is not CARF accredited, the only modifier required is the appropriate program modifier. The hourly reimbursement for a non-CARF accredited program shall be 80 percent of the MAR."

28 TAC §134.230(3) which sets out the MAR for Work Hardening reimbursement, states, "For division purposes, General Occupational Rehabilitation Programs, as defined in the CARF manual, are considered Work Hardening. (A)The first two hours of each session shall be billed and reimbursed as one unit, using CPT code 97545 with modifier "WH." Each additional hour shall be billed using CPT code 97546 with modifier "WH." CARF accredited programs shall add "CA" as a second modifier. (B) Reimbursement shall be \$64 per hour..."

2. The requestor seeks reimbursement in the total amount of \$2,918.40 for CPT code 97546-WH rendered on ten dates of service, April 15, 2024, through April 26, 2024.

As outlined above, 28 TAC §134.230(3)(A) states that the first two hours of each session of a Work Hardening (WH) program shall be billed and reimbursed as one unit, using CPT code 97545 with modifier "WH." The requestor billed CPT code 97545-WH x 2 units on each disputed date of service. This procedure code is not in dispute.

The requestor billed CPT code 97546-WH x 5.5 units on April 15, 2024, and billed 6 units each disputed date of service thereafter. As per 28 TAC §134.230(3)(A), each additional hour of WH shall be billed using CPT code 97546 with modifier "WH."

A review of the submitted Work Hardening Daily Activity Log, for dates of service April 16, 2024, through April 26, 2024, supports that the non-CARF accredited health care provider documented 8 total hours of WH activity on each date of service. On April 15, 2024, the

health care provider documented 7.5 hours of WH activity.

In accordance with TAC §134.230, the following calculation is applied:

For CPT code 97545-WH

- To determine MAR for 2 hours (1 unit allowed) of CPT 97545-WH rendered by a non-CARF accredited program:

$\$64.00/\text{hour} \times 2 \text{ hours} = \$128.00 \times 80\% = \$102.40$ per each of ten disputed dates of service from April 15, 2024, through April 26, 2024.

- The MAR for CPT 97545-WH rendered on ten dates of service from April 15, 2024, through April 26, 2024, is \$1,024.00, based on a non-CARF accredited program.

For CPT code 97546-WH

- To determine MAR for 6 hours (6 units) of CPT 97546-WH rendered by a non-CARF accredited program:

$\$64.00/\text{hour} \times 6 \text{ hours} = \$384.00 \times 80\% = \$307.20$ per nine disputed dates of service from April 16, 2024, through April 26, 2024.

- To determine MAR for 5.5 hours (5.5 units) of CPT 97546-WH rendered by a non-CARF accredited program:

$\$64.00/\text{hour} \times 5.5 \text{ hours} = \$352.00 \times 80\% = \$281.60$ for April 15, 2024, disputed date of service.

- The MAR for CPT code 97546-WH rendered on the ten disputed dates of service from April 15, 2024, through April 26, 2024, is \$3,046.40, based on a non-CARF accredited program.

DWC finds that the total MAR for the Work Hardening services rendered April 15, 2024, through April 26, 2024, is \$4,070.40.

3. The request for MFDR was received by DWC on August 14, 2024. A review of the submitted explanation of benefits (EOB) documents finds that the disputed services received four payments on four separate dates as follows:
 - May 7, 2024, the insurance carrier allowed \$576.00
 - June 18, 2024, the insurance carrier allowed \$576.00
 - September 18, 2024, the insurance carrier allowed an additional \$1,446.40
 - October 2, 2024, the insurance carrier allowed an additional \$1,472.00
 - Total reimbursement allowed by the insurance carrier for the disputed services was \$4,070.40 as of the date of this review. This total payment amount is equal to the total MAR as calculated in finding number 2 above.
 - DWC finds no evidence of interest payments made for the delayed medical payments.

4. The requestor alleges that interest is due for the services in dispute. Pursuant to 28 TAC §134.130(a) "Insurance carriers shall pay interest on medical bills paid on or after the 60th day after the insurance carrier originally received the complete medical bill, in accordance with §133.240 of this title (relating to Medical Payment and Denials). A review of the submitted documentation establishes that in accordance with 28 TAC §102.4(h), May 1, 2024, is the date the medical bill was submitted.

28 TAC §102.4(h) states that "Unless the great weight of evidence indicates otherwise, written communications shall be deemed to have been sent on: (1) the date received, if sent by fax, personal delivery, or electronic transmission or, (2) the date postmarked if sent by mail via United States Postal Service regular mail, or, if the postmark date is unavailable, the later of the signature date on the written communication or the date it was received minus five days. If the date received minus five days is a Sunday or legal holiday, the date deemed sent shall be the next previous day which is not a Sunday or legal holiday."

The DWC determines that May 1, 2024, is the date on which the carrier first received the complete medical bill. According to 28 TAC §134.130(c) & (d), the Division concludes that the requestor is entitled to reimbursement for the interest.

5. 28 TAC §134.130(c) states, "The rate of interest to be paid shall be the rate calculated in accordance with Labor Code §401.023 and in effect on the date the payment was made."

28 TAC §134.130 "(d) Interest shall be calculated as follows: (1) multiply the rate of interest by the amount on which interest is due (to determine the annual amount of interest); (2) divide the annual amount of interest by 365 (to determine the daily interest amount); then (3) multiply the daily interest amount by the number of days of interest to which the recipient is entitled under subsection (a) or (b) of this section.

28 TAC §134.130 "(e) The percentage of interest for each quarter may be obtained by accessing the Texas Department of Insurance's website, www.tdi.state.tx.us."

DWC finds that the percentage rate for the payment made on September 18, 2024, in the amount of \$1,446.40, is 8.57%. DWC finds that the percentage rate for the payment made on October 2, 2024, in the amount of \$1,472.00, is 7.46%.

6. DWC finds that the respondent reimbursed the requestor in four separate payments on four different dates for a total reimbursement amount of \$4,070.40 for the disputed services.

For the payment made on May 7, 2024, the number of days for interest owed is zero.

For the payment made on June 18, 2024, the number of days for interest owed is zero.

For the payment made on September 18, 2024, the number of days for interest owed is 81 days at a percentage rate of 8.57%. In accordance with 28 TAC §134.130, the amount due for interest at the time of this payment is \$27.51.

For the payment made on October 2, 2024, the number of days for interest owed is 95 days at a percentage rate of 7.46%. In accordance with 28 TAC §134.130, the amount due for interest

at the time of this payment is \$28.58.

Based on the information indicated above, the interest due for the delayed medical payments to the requestor is \$27.51 + \$28.58 for total interest due in the amount of \$56.09.

DWC finds that the requestor is entitled to additional reimbursement of an interest payment in the amount of \$56.09.

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 DWC finds the requester has established that reimbursement of \$56.09 is due.

Order

Under TLC §§413.031 and 413.019, DWC has determined the requestor is entitled to additional reimbursement for interest due on the disputed services. It is ordered that Fire Insurance Exchange must remit to the North Texas Rehabilitation Center \$56.09 within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	February 19, 2025
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.