



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Round Table Physicians

Respondent Name

AIU Insurance Co.

MFDR Tracking Number

M4-25-0247-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

September 19, 2024

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
April 26, 2024	99284-25	\$921.00	\$0.00
April 26, 2024	12001-59	\$701.00	\$0.00
Total		\$1,622.00	\$0.00

Requestor's Position

"We are a Free-Standing Emergency room, and we bill for our Physician charges on a HCFA along with billing for our Facility charges on a UB-04. Per the Texas Administrative Code 133.10, we have followed the billing guidelines for all of our Workers Compensation patients at all of our different Facilities."

Amount in Dispute: \$1,622.00

Respondent's Position

"The provider acknowledges that the carrier had already paid the provider \$351.62. The provider's DWC 60 is confusing, but it appears that the provider is claiming that it is seeking the difference between what it billed and what the carrier already paid it. Although the provider's DWC 60 has not calculated that difference, we believe that the provider is seeking payment of \$1,270.38... The carrier's EOR explains the reimbursement calculation. The carrier's position is that the provider is not entitled to any additional monies beyond those already paid which total \$351.62."

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 \(TAC\) §133.305](#) sets out general Medical Dispute Resolution guidelines.
3. [28 TAC §134.203](#) sets out the fee guideline for professional medical services.

Adjustment Reasons

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

- 4063 - REIMBURSEMENT IS BASED ON THE PHYSICIAN FEE SCHEDULE WHEN A PROFESSIONAL SERVICE WAS PERFORMED IN THE FACILITY SETTING.
- 56 - SIGNIFICANT, SEPARATELY IDENTIFIABLE E/M SERVICE RENDERED.
- P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
- N600 – ADJUSTED BASED ON THE APPLICABLE FEE SCHEDULE FOR THE REGION IN WHICH THE SERVICE WAS RENDERED.
- 247 - A PAYMENT OR DENIAL HAS ALREADY BEEN RECOMMENDED FOR THIS SERVICE.
- 18 – EXACT DUPLICATE CLAIM/SERVICE.
- N111 – NO APPEAL RIGHT EXCEPT DUPLICATE CLAIM/SERVICE ISSUE. THIS SERVICE WAS INCLUDED IN A CLAIM THAT HAS BEEN PREVIOUSLY BILLED AND ADJUDICATED.

Issues

1. Are the insurance carrier's reasons for reimbursement reduction supported?
2. Is the requestor entitled to additional reimbursement for CPT code 99284-25?
3. Is the requestor entitled to additional reimbursement for the CPT code 12001-59?

Findings

1. This medical fee dispute resolution (MFDR) request involves services rendered in an emergency room on April 26, 2024. The services in dispute specifically are CPT codes 99284-25 and 12001-59.

A review of the submitted explanation of benefits (EOB) documents finds that the insurance carrier reduced payment for both disputed services based on the reason that the professional

services were rendered in a facility setting.

Per a review of the submitted documentation DWC finds that the services in dispute were rendered in an emergency room facility setting. Therefore, DWC finds that the insurance carrier's reimbursement reduction reasons of the disputed services are supported.

2. The requestor is seeking reimbursement for a professional evaluation and management service rendered on April 26, 2024, in an emergency room facility setting. On the disputed date of service, the requestor billed for CPT code 99284-25 in the amount of \$921.00. A review of the submitted EOB finds that the insurance carrier allowed reimbursement in the amount of \$240.05 for CPT code 99284-25.

CPT code 99284 represents an emergency department visit with a detailed history, examination, and moderate complexity medical decision making. The requestor appended CPT code 99284 with modifier "25" which indicates that a significant, separately identifiable evaluation and management service was rendered.

DWC finds that 28 TAC §134.203 applies to the billing and reimbursement of disputed service CPT code 99284-25.

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."

28 TAC §134.203(c) states in pertinent part, "To determine the maximum allowable reimbursement (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."

To determine the MAR the following formula is used:

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

- The disputed services were rendered in zip code 77840, locality 99, "Rest of Texas."
- The Medicare participating amount for CPT code 99284 in 2024 rendered in a facility setting at this locality is \$117.84.
- The 2024 DWC Conversion Factor is 67.81.
- On the disputed date of service April 26, 2024, the Medicare Conversion Factor is 33.2875.

- Using the above formula, DWC finds the MAR is \$240.05 for CPT code 99284 on April 26, 2024, rendered in a facility setting in locality 99.
- The respondent paid \$240.05.
- No additional reimbursement is recommended.

DWC finds that the requestor is not entitled to additional reimbursement for CPT code 99284-25 rendered in an emergency room in locality 99, on April 26, 2024.

3. The requestor is seeking reimbursement for the professional service of a simple wound repair rendered in an emergency room facility setting on April 26, 2024. On the disputed date of service, the requestor billed for CPT code 12001 in the amount of \$701.00. A review of the submitted EOB finds that the insurance carrier allowed reimbursement in the amount of \$111.57 for CPT code 12001.

CPT code 12001 is a minor surgery procedure code used to bill for the simple repair of superficial wounds to the scalp, neck, axillae, external genitalia, trunk, and/or extremities (including the hands and feet) that are 2.5 cm or less in size.

DWC finds that 28 TAC §134.203 applies to the billing and reimbursement of disputed service CPT code 12001. See the applicable description of this rule in finding number two above.

To determine the MAR the following formula is used:

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

- The disputed services were rendered in zip code 77840, locality 99, "Rest of Texas."
- The Medicare participating amount for CPT code 12001 in 2024 rendered in a facility setting at this locality is \$43.63.
- The 2024 DWC Surgery Conversion Factor is 85.12.
- On the disputed date of service April 26, 2024, the Medicare Conversion Factor is 33.2875.
- Using the above formula, DWC finds the MAR is \$111.57 for CPT code 12001 on April 26, 2024, rendered in a facility setting in locality 99.
- The respondent paid \$111.57.
- No additional reimbursement is recommended.

DWC finds that the requestor is not entitled to additional reimbursement for CPT code 12001 rendered in an emergency room in locality 99, on April 26, 2024.

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 requestor has not established that additional reimbursement is due.

ORDER

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

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

November 1, 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 electrónico CompConnection@tdi.texas.gov.