



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Jason R. Bailey, MD

**Respondent Name**

Old Republic Insurance Company

**MFDR Tracking Number**

M4-25-0301-01

**Carrier's Austin Representative**

Box Number 44

**DWC Date Received**

October 3, 2024

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
July 10, 2024	11730-59-F3	\$978.94	\$0.00
July 10, 2024	11740-59-F3	\$492.32	\$0.00
<b>Total</b>		\$1,471.26	\$0.00

### Requestor's Position

"Our claim was processed with \$2,725.96 reimbursed to our provider. The original EOB received shows CPT code(s) 11730 and 11740 denied due to 'Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.' Dr. McMullin was called in by the hospital to render emergency services for this patient... Failure to perform the medically necessary EMERGENT surgery could have resulted in placing the patient's health in serious jeopardy or serious impairment to bodily functions or even serious dysfunction of a bodily organ. We submitted a reconsideration on 09/03/2024 and still no payment was made for code(s) 11740 and 11730. I am attaching all the documentation regarding this claim for your review. Please review the documents attached and reconsider reprocessing our claim."

**Amount in Dispute:** \$1,471.26

## Respondents' Position

"The bill was fee schedule priced to \$2725.96, no PPO/ON reductions applied. CPT codes 11730 and 11740 were denied by Clinical Validation. Clinical Validation has confirmed their review as correct. Denial of CPT code s11730[sic] and 11740 should be upheld... Agree to Uphold decision to deny 11730-59.F3 and 11740-59.F3 due to the nail bed repair procedure was performed on the same finger... [5373]-Documentation Does Not Meet the CPT Requirements for Modifier -59. The Procedure Is Included In Another Procedure[11760-ET.59.F3]."

**Response Submitted by:** Gallagher Bassett

## Findings and Decision

### Authority

This medical fee dispute is decided according to [Texas Labor Code \(TLC\) §413.031](#) and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

### Statutes and Rules

1. [28 Texas Administrative Code \(TAC\) §133.305](#) sets out the procedures for resolving medical disputes.
2. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
3. [28 TAC §134.203](#) sets out the fee guideline for professional medical services.

### Denial Reasons

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

- 00663 – Reimbursement has been calculated based on the state guidelines.
- 90121, 59 – Charges are adjusted based on the multiple surgery rules or concurrent anesthesia rules.
- 97 – Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- P12 – Workers compensation jurisdictional fee schedule adjustment.
- 4063 – Reimbursement is based on the physician fee schedule when a professional service was performed in the facility setting.
- 90563, 193 – Original payment decision is being maintained. Upon review it was determined that this claim was processed properly.

### Issues

1. Are the denial reasons provided by the insurance company for the claim supported?
2. Is the requester entitled to additional reimbursement?

## Findings

1. This dispute concerns the nonpayment of surgical services provided on July 10, 2024. The requestor is seeking payment for the CPT codes 11730 and 11740. On the same date of service, the requester also submitted charges for the CPT codes 26951-ET-F1, 14350-ET-F2, and 11760-ET-59. These codes have already been reimbursed by the insurance carrier and are not included in this dispute resolution review.

The insurance carrier denied the disputed procedure codes with denial reduction code "97 – Payment adjusted because the benefit for this service is included in the payment/ allowance for another service/procedure that has already been adjudicated."

To determine if the procedure codes in dispute are included in the payment/allowance for another adjudicated service/procedure, the division applies 28 TAC §134.203.

28 TAC §134.203(a)(5) states "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."

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."

CPT code description:

- CPT code 22951- Amputation, finger or thumb, primary or secondary, any joint or phalanx, single, including neurectomies; with direct closure
- CPT 14350 - Filleted finger or toe flap, including preparation of recipient site
- CPT code 11760 - Repair of nail bed
- CPT code 11730 - Avulsion of nail plate, partial or complete, simple; single
- CPT code 11740 – Evacuation of subungual hematoma

The requestor appended the following modifiers:

- ET – Emergency Services
- 59 – Distinct procedural service
- F1 – Left hand, second digit
- F2 – Left hand, third digit
- F3 – Left hand, fourth digit

To determine if the disputed services contain edit conflicts that could have an impact on payment, the DWC completed NCCI edits. The DWC determined the following:

Per Medicare CCI Guidelines, procedure codes 11730 and 11740 have an unbundle relationship with CPT code 11760. The requestor appended modifier 59 to both CPT codes 11730 and 11740. Modifier -59 was appended to indicate that both CPT codes 11730 and 11740 are distinct procedural services.

A review of the medical documentation finds the following:

- The requestor billed CPT codes 11760, 11740 and 11730 on disputed date of service, July 10, 2024.
- The requestor appended modifier -59 to CPT codes 11740 and 11730.
- A review of the medical finds that the requestor did not include documentation to support the use of modifier -59. As a result, reimbursement is not recommended.

The division concludes that the requestor is not entitled to reimbursement for the disputed services.

### 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 requestor has not established that 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 services.

### **Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
June 20, 2025

\_\_\_\_\_  
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](http://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](mailto: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](mailto:CompConnection@tdi.texas.gov).