



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Baylor Surgical Hospital

Respondent Name

Starr Specialty Insurance Co

MFDR Tracking Number

M4-25-1129-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

January 28, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 5, 2024	C1713	\$250.89	\$250.89
June 5, 2024	C1781	\$283.50	\$283.50
Total		\$534.39	\$534.39

Requestor's Position

The requestor did not submit a position statement with this request for MFDR. They did submit a document titled "Reconsideration" dated January 3, 2025 that states, "Per EOB received Rev code 278/implants were not paid correctly per TX work comp guidelines."

Amount in Dispute: \$534.39

Respondent's Position

"The provider is not entitled to any additional monies. The provider claims to be billing the cost of the implantable invoice plus 10%. However, we are unable to locate an invoice for C1713. The carrier has paid all the monies that the provider is entitled to".

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 §134.403](#) sets out the reimbursement guidelines for implantable reimbursement as part of outpatient hospital surgery.

Denial Reasons

- 6. Payment was based on published state regulations and in accordance with documentation provided by your facility.

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 of implants rendered as part of outpatient hospital surgery on June 5, 2024. The insurance carrier's payment was per fee guidelines per submitted explanation of benefits.

DWC Rule 28 TAC §134.403 (e)(2) states in pertinent part, **regardless of billed amount**, if no contracted fee schedule exists 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 (g) states, "Implantables, when billed separately by the facility or a surgical implant provider in accordance with subsection (f)(1)(B) of this section, shall be reimbursed at the lesser of the manufacturer's invoice amount or the net amount (exclusive of rebates and discounts) plus 10 percent or \$1,000 per billed item add-on, whichever is less, but not to exceed \$2,000 in add-on's per admission."

The following items were billed under revenue code 278.

- "Anchors Bone 3 w arthro" as identified in the itemized statement and labeled on the invoice as "Bone anchors 3 w arthro del sys" with a cost per unit of \$725.00;

- "Implant System 4.75BC SW" as identified in the itemized statement and labeled on the invoice as "LNT Implant system 4.75 bc " with a cost per unit of \$1,334.00;
- "Staple Tendon Arthroscope" as identified in the itemized statement and labeled on the invoice as "Tendon Anchors" with a cost per unit of \$450.00.
- "Implant Mesh Bioinductive" is identified in the itemized statement and labeled on the invoice as "Bioinductive Implant w/arth" with a cost per unit of \$2,835.00.

The total net invoice amount (exclusive of rebates and discounts) is \$5,344.00. The total add-on amount of 10% or \$1,000 per billed item add-on, whichever is less, but not to exceed \$2,000 in add-on's per admission is \$534.40. The total recommended reimbursement amount for the implantable items is \$5,878.40.

3. The total recommended reimbursement for the disputed services is \$5,878.40. The insurance carrier paid \$5,344.00. The requestor is seeking \$534.39. 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 Starr Specialty Insurance Co must remit to Baylor Surgical Hospital \$534.39 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

March 4, 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. 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.