



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

James R Johnston, DC

**Respondent Name**

Covenant Health System

**MFDR Tracking Number**

M4-25-1272-01

**Carrier's Austin Representative**

Box Number 60

**DWC Date Received**

February 7, 2025

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 24, 2024	Designated Doctor Examination 99456 W5	\$834.00	\$834.00

### Requestor's Position

"Please accept the following Position Statement as required by Rule 133.307 (C)(2)(f) ... DESIGNATED DOCTOR EXAM... CARRIER IS REQUIRED TO PAY DESIGNATED DOCTOR EXAMS... THE CURRENT RULES ALLOW REIMBURSEMENT... AN ORIGINAL BILL AND RECONSIDERATION WERE SUBMITTED; THE CURRENT RULES ALLOW REIMBURSEMENT."

**Amount in Dispute:** \$834.00

### Respondent's Position

The Austin carrier representative for Covenant Health System is Downs Stanford PC. The representative was notified of this medical fee dispute on February 19, 2025.

Per 28 Texas Administrative Code §133.307(d)(1), if the DWC does not receive the response within 14 calendar days of the dispute notification, then the DWC may base its decision on the available information.

As of today, no response has been received from the insurance carrier or its representative. We will base this decision on the information available.

## 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 \(TAC\) §134.240](#) sets out the billing requirements and reimbursement guidelines for designated doctor examinations.
2. [28 TAC §133.10](#) sets out the required billing procedures forms/formats for healthcare provider billing.
3. [28 TAC §133.240](#) sets out requirements of medical bill processing by insurance carriers.
4. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.

### Denial Reasons

Neither party submitted explanation of benefits that supports adjudication of the disputed services.

### Issues

1. Did the insurance carrier take final action on the complete medical bill?
2. Did the requestor support claim submission to the insurance carrier or its agent?
3. What services were included in the assigned designated doctor examination?
4. What rule is applicable to reimbursement?
5. Is the requester entitled to additional reimbursement?

### Findings

1. James R Johnston DC is seeking reimbursement for a DWC ordered designated doctor medical examination to determine maximum medical improvement and impairment rating. The requestor argued that it had not received payment or an explanation of denial for medical bills submitted for the examination in question. DWC Rule §133.240 (a) states in pertinent part, "The insurance carrier is required to take final action by paying, reducing, or denying the service in question not later than 45 days after receiving the medical bill. This deadline is not extended by a request for additional information." No evidence was provided to support that the insurance carrier took final action on the bill for the service in question.
2. The information submitted indicates this claim was submitted to Aaron Price the adjustor for Sedgwick on July 3, 2024, and September 5, 2024. Review of the Commissioners Order for the designated doctor exam indicates the workers' compensation carrier is Sedgwick. DWC Rule

133.210 (e) states "It is the insurance carrier's obligation to furnish its agents with any documentation necessary for the resolution of a medical bill. The Division considers any medical billing information or documentation possessed by one entity to be simultaneously possessed by the other. The greater weight of evidence known to the Division supports the claim was submitted to an agent for Sedgwick. The disputed medical bill will be reviewed by the applicable fee guideline shown below.

3. The requestor is seeking payment of a designated doctor examination for maximum medical improvement and impairment rating for date of service June 24, 2024 billed as 99456 -W5 with total unit of one. The insurance carrier did not submit evidence of payment or denial, nor did they provide a position statement in response to the request for MFDR.

Review of the submitted "Designated Doctor Evaluation and Report" indicates, "Purpose of Examination – Maximum Medical Improvement, - Impairment Rating."

DWC finds the requestor is entitled to receive reimbursement for the designated doctor exam with maximum medical improvement and impairment rating.

4. DWC Rule 28 TAC §134.240 (d) states, "When conducting a designated doctor examination, the designated doctor must bill, and the insurance carrier must reimburse, using CPT code 99456 and with the modifiers and rates specified in subsections (d)(1) – (7)."

DWC Rule 28 TAC §134.240 (d)(3) states, "MMI evaluations will be reimbursed at **\$449** adjusted per §134.210(b)(4), and the doctor must apply the additional modifier 'W5.'"

DWC Rule 28 TAC §134.240 (d)(4) states, "For IR examinations, the designated doctor must bill, and the insurance carrier must reimburse the components of the IR evaluation. The designated doctor must apply the additional modifier 'W5'Indicate the number of body areas rated in the unit's column of the billing form."

DWC Rule 28 TAC §134.240 (d)(4)(A)(ii)(iii) states, "(A) For musculoskeletal body areas, the designated doctor may bill for a maximum of three body areas. Musculoskeletal body areas are: spine and pelvis; upper extremities and hands; and lower extremities (including feet)."

Review of the submitted "Request for designated doctor examination" indicates the DWC ordered examination of the upper extremities.

The total Maximum Allowable Reimbursement for the disputed service based on DWC designated doctor ordered exam is as follows, DWC Rule §134.240 (d)(3)(4)(A).

IR. For IR examinations, the designated doctor must bill, and the insurance carrier must reimburse, the components of the IR evaluation. The designated doctor must apply the additional modifier "W5." Indicate the number of body areas rated in the units column of the billing form.

(A) For musculoskeletal body areas, the designated doctor may bill for a maximum of three body areas.

(i) Musculoskeletal body areas are:

- (I) spine and pelvis;
- (II) upper extremities and hands; and
- (III) lower extremities (including feet).

(ii) For musculoskeletal body areas:

(I) the reimbursement for the first musculoskeletal body area is \$385 adjusted per §134.210(b)(4)

5. The total MAR for the disputed impairment rating is \$449 for the MMI and \$385 for the IR of the upper extremities or \$834.00. 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 requestor has established that reimbursement is due.

### **Order**

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to reimbursement for the disputed services. It is ordered that Covenant Heath must remit to James R Johnston DC, \$834.00 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

May 7, 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, please call CompConnection at 1-800-252-7031, option three 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 tres o correo electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).