TDI Division of Workers' Compensation
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Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name
Peak Integrated Healthcare

Respondent Name
Starr Indemnity & Liability Company

MFDR Tracking Number
M4-25-1434-01

Carrier's Austin Representative
Box Number 19

DWC Date Received
February 27, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 20, 2024	97110 GP x 6	$360.66	$0.00
November 20, 2024	97112 GP x 2	$17.07	$0.00
	Total	$377.73	$0.00

Requestor's Position

"Therapy was authorized, and all other DOS have been paid in full."

Amount in Dispute: $377.73

Respondents' Position

"Our bill audit company has determined that additional monies are owed in the amount of $274.74. Interest in the amount of $1.98 has been added."

Response Submitted by: Gallagher Bassett

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 §134.203 sets out the fee guideline for professional medical services.
3. 28 TAC §134.600 sets out the preauthorization guidelines for specific treatments and services.

Denial Reasons

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

- 90950 - This bill is a reconsideration of a previously reviewed bill; allowance amounts reflect any changes to the previous payment.
- 5721 - To avoid duplicate bill denial, for all reconsiderations/ adjustments/ additional payment requests, submit a copy of this EOR or clear notation that a recon is
- 90409,119 - Benefit maximum for this time period or occurrence has been reached.
- 163 - The charge for this procedure exceeds the unit value and/or the multiple procedure rules.

Issues

1. Did the Insurance Carrier take issue payments after the submission of the medical fee dispute resolution request?
2. Is the Insurance Carrier's denial reason(s) supported?
3. Is the Requestor entitled to additional reimbursement?

Findings

1. The requestor seeks reimbursement for CPT Codes 97710-GP and 97112-GP rendered on November 20, 2024. The insurance carrier reduced the disputed services with reduction codes indicated above.

   The requestor seeks additional payment in the amount of $17.07 for CPT code 97112. The DWC will calculate the reimbursement to determine whether the payment was issued in accordance with 28 TAC §134.203.

   The requestor seeks payment in the amount of $360.66 for CPT code 97110. A review of the explanation of benefits dated March 17, 2025, reveals that the insurance carrier issued a payment of $274.74 under check #0206547083. The DWC will calculate the reimbursement to determine whether the payment was issued in accordance with 28 TAC §134.203.

2. The insurance carrier issued payments for CPT codes 97110 and 97112 and reduced the

remaining charges indicating that the benefit maximum has been reached. A review of the submitted documentation finds that the insurance carrier has not supported the denial reasons indicated above. The DWC applies 28 TAC §134.203 to determine if reimbursement was issued in accordance with the medical fee guidelines.

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."

The requestor billed the following CPT Codes 97710-GP and 97112-GP. The definition of each code is indicated below:

CPT code 97110 - "Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility."

CPT Code 97712 – "Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities."

The requestor appended the "GP" modifier to both codes. The "GP" modifier is described as "Services delivered under an outpatient physical therapy plan of care."

Medicare Claims Processing Manual Chapter 5, 10.3.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions for Outpatient Rehabilitation Services, states:

> Full payment is made for the unit or procedure with the highest PE payment.
>
> For subsequent units and procedures with dates of service prior to April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment is made for the PE for services submitted on professional claims (any claim submitted using the ASC X12 837 professional claim format or the CMS-1500 paper claim form) and 75 percent payment is made for the PE for services submitted on institutional claims (ASC X12 837 institutional claim format or Form CMS-1450).
>
> For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice, and 50 percent payment is made for the PE for services submitted on either professional or institutional claims.
>
> To determine which services will receive the MPPR, contractors shall rank services according to the applicable PE relative value units (RVU) and price the service with the highest PE RVU at 100% and apply the appropriate MPPR to the remaining services.
>
> When the highest PE RVU applies to more than one of the identified services, contractors shall additionally sort and rank these services according to the highest total fee schedule amount, and price the service with the highest total fee schedule amount at 100% and apply the appropriate MPPR to the remaining services.

Review of the Medicare policies finds that the multiple procedure payment reduction (MPPR) applies to the Practice Expense (PE) of certain time-based physical therapy codes when more than one unit or procedure is provided to the same patient on the same day. Medicare

publishes a list of the codes subject to MPPR annually.

For 2024 the codes subject to MPPR are found in CMS-1784-F the CY 2024 PFS Final Rule Multiple Procedure Payment Reduction Files. Review of that list finds that CPT Codes 97710-GP and 97112-GP are subject to the MPPR policy.

The chart below outlines the ranking for PE payment for each of the codes billed by the health care provider.

CPT Code	Practice Expense
97110	0.42
97112	0.50

As shown above, CPT Code 97112 has the highest PE payment amount the services billed by the provider that day, therefore, the reduced PE payment applies to all other services.

3. 28 TAC §134.203 states in pertinent part, "(c) To determine the 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..."

   The MPPR Rate File that contains the payments for 2024 is found at https://www.cms.gov/Medicare/Billing/TherapyServices/index.html.

   - MPPR rates are published by carrier and locality.
   - The services were provided in Dallas, TX.
   - The carrier code for Texas is 4412 and the locality code for Dallas is 11.

CPT Code	Medicare Fee Schedule (1st unit)	MPPR for subsequent units
97110 x 6		$22.48
97112 x 2	$33.88	$25.50

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Medicare Payment = Maximum Allowable Reimbursement (MAR).

- The 2024B DWC Conversion Factor is 67.81
- The 2024B Medicare Conversion Factor is 33.2875

- Per the medical bills, the services were rendered in Dallas, TX.

Date of Service	CPT Code	# Units	CMS Payment	MAR	Insurance Carrier Paid	Amount Sought	Recommended Amount
November 20, 2024	97110	6	$22.48	$45.79 x 6 = $274.76	$274.74	$274.74	$0.00
November 20, 2024	97112	2	1st Unit $33.88 2nd Unit $25.50	1st Unit $69.02 2nd Unit $51.95 = $120.96	$120.97	$17.07	$0.00

DWC finds that the requestor is not entitled to additional reimbursement for CPT codes 97110 and 97112 rendered on November 20, 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 requester has not established that reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to $0.00 reimbursement for the disputed services.

Authorized Signature

		April 3, 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, 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 electronico CompConnection@tdi.texas.gov.